

**REQUEST FOR FUNDING
FOR
QUAIL RIDGE APARTMENTS
1105 CAPITAL CIRCLE NW
TALLAHASSEE, FLORIDA**

**LEON COUNTY HOUSING FINANCE AUTHORITY
918 Railroad Avenue
Tallahassee, FL 32310
850-488-7790
Fax: 850-922-4749**

**DECEMBER 4, 2003
BOARD MEETING**

**PRESENTED BY:
CORNERSTONE GROUP DEVELOPMENT LLC
Rob Ippolito, Vice President
2029 Morning Dove Road
Tallahassee, FL 32312
850-591-0856
FAX: 850-893-9498
EMAIL: rob@velocityonline.net**

EXECUTIVE SUMMARY

Cornerstone Group Development is proposing the development of a +/-160 unit multifamily affordable apartment project to be located in west Leon County. The proposed development will be located approximately one quarter mile south of Highway 90 (Tennessee Street) on the east side of Capital Circle Northwest on +/- 10.46 acres.

It is our intent to apply for Low Income Housing Tax Credits from the Florida Housing Finance Corporation (FHFC) in the 2004 Universal Application Cycle in which applications are due March 5, 2005. Based on the current scoring criteria for the upcoming application cycle, the proposed development Quail Ridge Apartments would receive the maximum points possible for proximity criteria. Additionally, the proposed project is located in a Qualified Census Tract -- an area designated by HUD as having more than half of the households at an income that is less than 60% of the area median gross income, or a poverty rate of at least 25 percent. We believe this is a viable project that will enhance the area and serve the very low-income population in Leon County.

A key component of this proposal is the FHFC's application requirement for a local government contribution for projects of this nature. It is for that reason that Cornerstone Group Development requests from the Leon County Housing Finance Authority funding for the local government contribution in the amount of a \$100,000 grant or an estimated \$155,000 loan, subject to the final discount rate set by the Florida Housing Finance Corporation.

ATTACHMENTS:

The following attachments are enclosed to provide more detailed information on the Quail Ridge Apartments proposal:

- Local Government Contribution Calculation
- Project Location and Proximity Scoring Maps
- Letter of Support
- Project Development Proforma
- Cornerstone Development Experience
- Population Served
- References
- Cornerstone Group Brochure

Local Government Contribution Calculation

Quail RidgePV OF LOCAL SUBSIDY

GOVSUPP

A. LOCAL SUBSIDY

NOTE AMOUNT

\$155,000

B. TERMS

INTEREST RATE

0.00% no principal, no interest for 15 years

INTEREST RATE

1.50% P&I for years 16-30

AMORTIZATION

15 years, starting in year 16

TERM

30 years

MONTHLY PAYMENT

\$962 during years 16 - 30

ANNUAL PAYMENT

\$11,546

C. DISCOUNT RATE (2003 app less 1%)

5.790% annual

0.483% monthly

D. VALUE OF DISCOUNTED PMTS.

\$48,591

E. VALUE OF SUBSIDY

\$106,409.24 (A less D)

Quail Ridge BACK UP TO PV CALCULATIONS						
MONTH	MONTHLY PAYMENT	PV FACTOR	PRESENT VALUE OF PMTS	BEGIN BALANCE	INTEREST	PRINCIPAL
1	0	1.00	0	155,000	0	0
2	0	0.99	0	155,000	0	0
3	0	0.99	0	155,000	0	0
4	0	0.98	0	155,000	0	0
5	0	0.98	0	155,000	0	0
6	0	0.97	0	155,000	0	0
7	0	0.97	0	155,000	0	0
8	0	0.96	0	155,000	0	0
9	0	0.96	0	155,000	0	0
10	0	0.95	0	155,000	0	0
11	0	0.95	0	155,000	0	0
12	0	0.94	0	155,000	0	0
13	0	0.94	0	155,000	0	0
14	0	0.93	0	155,000	0	0
15	0	0.93	0	155,000	0	0
16	0	0.93	0	155,000	0	0
17	0	0.92	0	155,000	0	0
18	0	0.92	0	155,000	0	0
19	0	0.91	0	155,000	0	0
20	0	0.91	0	155,000	0	0
21	0	0.90	0	155,000	0	0
22	0	0.90	0	155,000	0	0
23	0	0.90	0	155,000	0	0
24	0	0.89	0	155,000	0	0
25	0	0.89	0	155,000	0	0
26	0	0.88	0	155,000	0	0
27	0	0.88	0	155,000	0	0
28	0	0.87	0	155,000	0	0
29	0	0.87	0	155,000	0	0
30	0	0.87	0	155,000	0	0
31	0	0.86	0	155,000	0	0
32	0	0.86	0	155,000	0	0
33	0	0.85	0	155,000	0	0
34	0	0.85	0	155,000	0	0
35	0	0.84	0	155,000	0	0
36	0	0.84	0	155,000	0	0
37	0	0.84	0	155,000	0	0
38	0	0.83	0	155,000	0	0
39	0	0.83	0	155,000	0	0
40	0	0.82	0	155,000	0	0
41	0	0.82	0	155,000	0	0
42	0	0.82	0	155,000	0	0

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*Quail Ridge***BACK UP TO PV CALCULATIONS**

MONTH	MONTHLY PAYMENT	PV FACTOR	PRESENT VALUE OF PMTS.	BEGIN BALANCE	INTEREST	PRINCIPAL
43	0	0.81	0	155,000	0	0
44	0	0.81	0	155,000	0	0
45	0	0.81	0	155,000	0	0
46	0	0.80	0	155,000	0	0
47	0	0.80	0	155,000	0	0
48	0	0.79	0	155,000	0	0
49	0	0.79	0	155,000	0	0
50	0	0.79	0	155,000	0	0
51	0	0.78	0	155,000	0	0
52	0	0.78	0	155,000	0	0
53	0	0.77	0	155,000	0	0
54	0	0.77	0	155,000	0	0
55	0	0.77	0	155,000	0	0
56	0	0.76	0	155,000	0	0
57	0	0.76	0	155,000	0	0
58	0	0.76	0	155,000	0	0
59	0	0.75	0	155,000	0	0
60	0	0.75	0	155,000	0	0
61	0	0.75	0	155,000	0	0
62	0	0.74	0	155,000	0	0
63	0	0.74	0	155,000	0	0
64	0	0.73	0	155,000	0	0
65	0	0.73	0	155,000	0	0
66	0	0.73	0	155,000	0	0
67	0	0.72	0	155,000	0	0
68	0	0.72	0	155,000	0	0
69	0	0.72	0	155,000	0	0
70	0	0.71	0	155,000	0	0
71	0	0.71	0	155,000	0	0
72	0	0.71	0	155,000	0	0
73	0	0.70	0	155,000	0	0
74	0	0.70	0	155,000	0	0
75	0	0.70	0	155,000	0	0
76	0	0.69	0	155,000	0	0
77	0	0.69	0	155,000	0	0
78	0	0.69	0	155,000	0	0
79	0	0.68	0	155,000	0	0
80	0	0.68	0	155,000	0	0
81	0	0.68	0	155,000	0	0
82	0	0.67	0	155,000	0	0
83	0	0.67	0	155,000	0	0
84	0	0.67	0	155,000	0	0

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MONTH	MONTHLY PAYMENT	PV FACTOR	PRESENT VALUE OF PMTS.	BEGIN BALANCE	INTEREST	PRINCIPAL
85	0	0.66	0	155,000	0	0
86	0	0.66	0	155,000	0	0
87	0	0.66	0	155,000	0	0
88	0	0.65	0	155,000	0	0
89	0	0.65	0	155,000	0	0
90	0	0.65	0	155,000	0	0
91	0	0.65	0	155,000	0	0
92	0	0.64	0	155,000	0	0
93	0	0.64	0	155,000	0	0
94	0	0.64	0	155,000	0	0
95	0	0.63	0	155,000	0	0
96	0	0.63	0	155,000	0	0
97	0	0.63	0	155,000	0	0
98	0	0.62	0	155,000	0	0
99	0	0.62	0	155,000	0	0
100	0	0.62	0	155,000	0	0
101	0	0.61	0	155,000	0	0
102	0	0.61	0	155,000	0	0
103	0	0.61	0	155,000	0	0
104	0	0.61	0	155,000	0	0
105	0	0.60	0	155,000	0	0
106	0	0.60	0	155,000	0	0
107	0	0.60	0	155,000	0	0
108	0	0.59	0	155,000	0	0
109	0	0.59	0	155,000	0	0
110	0	0.59	0	155,000	0	0
111	0	0.59	0	155,000	0	0
112	0	0.58	0	155,000	0	0
113	0	0.58	0	155,000	0	0
114	0	0.58	0	155,000	0	0
115	0	0.57	0	155,000	0	0
116	0	0.57	0	155,000	0	0
117	0	0.57	0	155,000	0	0
118	0	0.57	0	155,000	0	0
119	0	0.56	0	155,000	0	0
120	0	0.56	0	155,000	0	0
121	0	0.56	0	155,000	0	0
122	0	0.56	0	155,000	0	0
123	0	0.55	0	155,000	0	0
124	0	0.55	0	155,000	0	0
125	0	0.55	0	155,000	0	0
126	0	0.55	0	155,000	0	0

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Qual Ridge BACK UP TO PV CALCULATIONS							
MONTH	MONTHLY PAYMENT	PV FACTOR	PRESENT VALUE OF PMTS.	BEGIN BALANCE	INTEREST	PRINCIPAL	
127	0	0.54	0	155,000	0	0	
128	0	0.54	0	155,000	0	0	
129	0	0.54	0	155,000	0	0	
130	0	0.53	0	155,000	0	0	
131	0	0.53	0	155,000	0	0	
132	0	0.53	0	155,000	0	0	
133	0	0.53	0	155,000	0	0	
134	0	0.52	0	155,000	0	0	
135	0	0.52	0	155,000	0	0	
136	0	0.52	0	155,000	0	0	
137	0	0.52	0	155,000	0	0	
138	0	0.51	0	155,000	0	0	
139	0	0.51	0	155,000	0	0	
140	0	0.51	0	155,000	0	0	
141	0	0.51	0	155,000	0	0	
142	0	0.50	0	155,000	0	0	
143	0	0.50	0	155,000	0	0	
144	0	0.50	0	155,000	0	0	
145	0	0.50	0	155,000	0	0	
146	0	0.50	0	155,000	0	0	
147	0	0.49	0	155,000	0	0	
148	0	0.49	0	155,000	0	0	
149	0	0.49	0	155,000	0	0	
150	0	0.49	0	155,000	0	0	
151	0	0.48	0	155,000	0	0	
152	0	0.48	0	155,000	0	0	
153	0	0.48	0	155,000	0	0	
154	0	0.48	0	155,000	0	0	
155	0	0.47	0	155,000	0	0	
156	0	0.47	0	155,000	0	0	
157	0	0.47	0	155,000	0	0	
158	0	0.47	0	155,000	0	0	
159	0	0.47	0	155,000	0	0	
160	0	0.46	0	155,000	0	0	
161	0	0.46	0	155,000	0	0	
162	0	0.46	0	155,000	0	0	
163	0	0.46	0	155,000	0	0	
164	0	0.45	0	155,000	0	0	
165	0	0.45	0	155,000	0	0	
166	0	0.45	0	155,000	0	0	
167	0	0.45	0	155,000	0	0	
168	0	0.45	0	155,000	0	0	

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Qual Ridge

BACK UP TO PV CALCULATIONS

MONTH	MONTHLY PAYMENT	PV FACTOR	PRESENT VALUE OF PMTS	BEGIN BALANCE	INTEREST	PRINCIPAL
169	0	0.44	0	155,000	0	0
170	0	0.44	0	155,000	0	0
171	0	0.44	0	155,000	0	0
172	0	0.44	0	155,000	0	0
173	0	0.43	0	155,000	0	0
174	0	0.43	0	155,000	0	0
175	0	0.43	0	155,000	0	0
176	0	0.43	0	155,000	0	0
177	0	0.43	0	155,000	0	0
178	0	0.42	0	155,000	0	0
179	0	0.42	0	155,000	0	0
180	0	0.42	0	155,000	0	0
181	962	0.42	403	155,000	194	768
182	962	0.42	401	154,232	193	769
183	962	0.41	399	153,462	192	770
184	962	0.41	397	152,692	191	771
185	962	0.41	395	151,921	190	772
186	962	0.41	393	151,148	189	773
187	962	0.41	391	150,375	188	774
188	962	0.40	389	149,601	187	775
189	962	0.40	387	148,826	186	776
190	962	0.40	386	148,050	185	777
191	962	0.40	384	147,273	184	778
192	962	0.40	382	146,495	183	779
193	962	0.39	380	145,716	182	780
194	962	0.39	378	144,936	181	781
195	962	0.39	376	144,155	180	782
196	962	0.39	375	143,373	179	783
197	962	0.39	373	142,590	178	784
198	962	0.39	371	141,806	177	785
199	962	0.38	369	141,021	176	786
200	962	0.38	367	140,235	175	787
201	962	0.38	366	139,448	174	788
202	962	0.38	364	138,660	173	789
203	962	0.38	362	137,871	172	790
204	962	0.37	360	137,082	171	791
205	962	0.37	359	136,291	170	792
206	962	0.37	357	135,499	169	793
207	962	0.37	355	134,706	168	794
208	962	0.37	354	133,912	167	795
209	962	0.37	352	133,118	166	796
210	962	0.36	350	132,322	165	797

Quail Ridge

BACK UP TO PV CALCULATIONS

MONTH	MONTHLY PAYMENT	PV FACTOR	PRESENT VALUE OF PMTS.	BEGIN BALANCE	INTEREST	PRINCIPAL
211	962	0.36	348	131,525	164	798
212	962	0.36	347	130,727	163	799
213	962	0.36	345	129,929	162	800
214	962	0.36	343	129,129	161	801
215	962	0.36	342	128,328	160	802
216	962	0.35	340	127,527	159	803
217	962	0.35	339	126,724	158	804
218	962	0.35	337	125,920	157	805
219	962	0.35	335	125,115	156	806
220	962	0.35	334	124,310	155	807
221	962	0.35	332	123,503	154	808
222	962	0.34	330	122,695	153	809
223	962	0.34	329	121,886	152	810
224	962	0.34	327	121,076	151	811
225	962	0.34	326	120,266	150	812
226	962	0.34	324	119,454	149	813
227	962	0.34	323	118,641	148	814
228	962	0.33	321	117,827	147	815
229	962	0.33	320	117,012	146	816
230	962	0.33	318	116,196	145	817
231	962	0.33	316	115,379	144	818
232	962	0.33	315	114,561	143	819
233	962	0.33	313	113,743	142	820
234	962	0.32	312	112,923	141	821
235	962	0.32	310	112,102	140	822
236	962	0.32	309	111,280	139	823
237	962	0.32	307	110,456	138	824
238	962	0.32	306	109,632	137	825
239	962	0.32	305	108,807	136	826
240	962	0.31	303	107,981	135	827
241	962	0.31	302	107,154	134	828
242	962	0.31	300	106,326	133	829
243	962	0.31	299	105,497	132	830
244	962	0.31	297	104,666	131	831
245	962	0.31	296	103,835	130	832
246	962	0.31	294	103,003	129	833
247	962	0.30	293	102,169	128	834
248	962	0.30	292	101,335	127	835
249	962	0.30	290	100,499	126	837
250	962	0.30	289	99,663	125	838
251	962	0.30	287	98,825	124	839
252	962	0.30	286	97,987	122	840

Quail Ridge BACK UP TO PV CALCULATIONS						
MONTH	MONTHLY PAYMENT	PV FACTOR	PRESENT VALUE OF PMTS	BEGIN BALANCE	INTEREST	PRINCIPAL
253	962	0.30	285	97,147	121	841
254	962	0.29	283	96,306	120	842
255	962	0.29	282	95,464	119	843
256	962	0.29	281	94,622	118	844
257	962	0.29	279	93,778	117	845
258	962	0.29	278	92,933	116	846
259	962	0.29	277	92,087	115	847
260	962	0.29	275	91,240	114	848
261	962	0.28	274	90,392	113	849
262	962	0.28	273	89,542	112	850
263	962	0.28	271	88,692	111	851
264	962	0.28	270	87,841	110	852
265	962	0.28	269	86,989	109	853
266	962	0.28	267	86,135	108	854
267	962	0.28	266	85,281	107	856
268	962	0.28	265	84,425	106	857
269	962	0.27	264	83,569	104	858
270	962	0.27	262	82,711	103	859
271	962	0.27	261	81,852	102	860
272	962	0.27	260	80,992	101	861
273	962	0.27	259	80,131	100	862
274	962	0.27	257	79,269	99	863
275	962	0.27	256	78,406	98	864
276	962	0.26	255	77,542	97	865
277	962	0.26	254	76,677	96	866
278	962	0.26	252	75,811	95	867
279	962	0.26	251	74,943	94	868
280	962	0.26	250	74,075	93	870
281	962	0.26	249	73,205	92	871
282	962	0.26	248	72,335	90	872
283	962	0.26	246	71,463	89	873
284	962	0.25	245	70,590	88	874
285	962	0.25	244	69,716	87	875
286	962	0.25	243	68,841	86	876
287	962	0.25	242	67,965	85	877
288	962	0.25	241	67,088	84	878
289	962	0.25	239	66,209	83	879
290	962	0.25	238	65,330	82	880
291	962	0.25	237	64,450	81	882
292	962	0.25	236	63,568	79	883
293	962	0.24	235	62,685	78	884
294	962	0.24	234	61,802	77	885

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*Quail Ridge***BACK UP TO PV CALCULATIONS**

MONTH	MONTHLY PAYMENT	PV FACTOR	PRESENT VALUE OF PMTS	BEGIN BALANCE	INTEREST	PRINCIPAL
295	962	0.24	233	60,917	76	886
296	962	0.24	231	60,031	75	887
297	962	0.24	230	59,143	74	888
298	962	0.24	229	58,255	73	889
299	962	0.24	228	57,366	72	890
300	962	0.24	227	56,475	71	892
301	962	0.23	226	55,584	69	893
302	962	0.23	225	54,691	68	894
303	962	0.23	224	53,797	67	895
304	962	0.23	223	52,903	66	896
305	962	0.23	222	52,007	65	897
306	962	0.23	221	51,109	64	898
307	962	0.23	220	50,211	63	899
308	962	0.23	218	49,312	62	901
309	962	0.23	217	48,411	61	902
310	962	0.22	216	47,510	59	903
311	962	0.22	215	46,607	58	904
312	962	0.22	214	45,703	57	905
313	962	0.22	213	44,798	56	906
314	962	0.22	212	43,892	55	907
315	962	0.22	211	42,984	54	908
316	962	0.22	210	42,076	53	910
317	962	0.22	209	41,167	51	911
318	962	0.22	208	40,256	50	912
319	962	0.22	207	39,344	49	913
320	962	0.21	206	38,431	48	914
321	962	0.21	205	37,517	47	915
322	962	0.21	204	36,602	46	916
323	962	0.21	203	35,685	45	918
324	962	0.21	202	34,768	43	919
325	962	0.21	201	33,849	42	920
326	962	0.21	200	32,929	41	921
327	962	0.21	199	32,008	40	922
328	962	0.21	198	31,086	39	923
329	962	0.21	197	30,163	38	924
330	962	0.20	197	29,238	37	926
331	962	0.20	196	28,313	35	927
332	962	0.20	195	27,386	34	928
333	962	0.20	194	26,458	33	929
334	962	0.20	193	25,529	32	930
335	962	0.20	192	24,599	31	931
336	962	0.20	191	23,667	30	933

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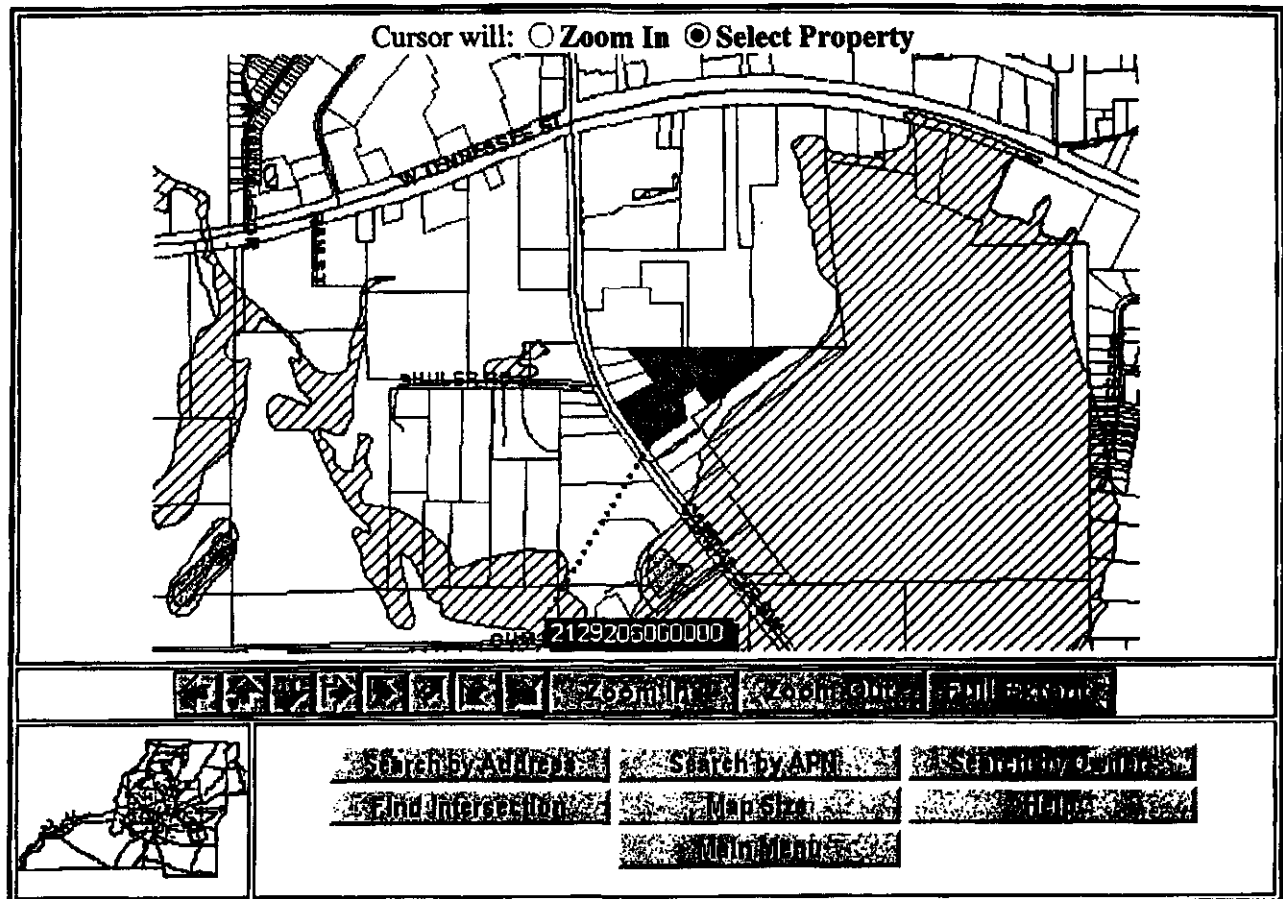
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Quail Ridge**BACK UP TO PV CALCULATIONS**

MONTH	MONTHLY PAYMENT	PV FACTOR	PRESENT VALUE OF PMTS.	BEGIN BALANCE	INTEREST	PRINCIPAL
337	962	0.20	190	22,735	28	934
338	962	0.20	189	21,801	27	935
339	962	0.20	188	20,866	26	936
340	962	0.19	187	19,930	25	937
341	962	0.19	186	18,993	24	938
342	962	0.19	185	18,054	23	940
343	962	0.19	185	17,115	21	941
344	962	0.19	184	16,174	20	942
345	962	0.19	183	15,232	19	943
346	962	0.19	182	14,289	18	944
347	962	0.19	181	13,345	17	945
348	962	0.19	180	12,399	15	947
349	962	0.19	179	11,453	14	948
350	962	0.19	178	10,505	13	949
351	962	0.18	178	9,556	12	950
352	962	0.18	177	8,605	11	951
353	962	0.18	176	7,654	10	953
354	962	0.18	175	6,702	8	954
355	962	0.18	174	5,748	7	955
356	962	0.18	173	4,793	6	956
357	962	0.18	173	3,837	5	957
358	962	0.18	172	2,879	4	959
359	962	0.18	171	1,921	2	960
360	962	0.18	170	961	1	961
PRESENT VALUE			\$48,590.76			

**Project Location
And
Proximity Scoring Maps**



Letter of Support



BOARD OF COUNTY COMMISSIONERS

301 South Monroe Street
Tallahassee, Florida 32301
(850) 488-4710

November 18, 2003

Commissioners:
WILLIAM C. PROCTOR, JR.
District 1
JANE G. SAULS
District 2
DAN WINCHESTER
District 3
TONY GRIPPA
District 4
BOB RACKLEFF
District 5
RUDY MALOY
At-Large
CLIFF THAELE
At-Large

PARWEZ ALAM
County Administrator
(850) 488-8882

HERBERT W.A. THIELE
County Attorney
(850) 487-1008

Mr. Allen Stucks
Leon County Housing Finance Authority
918 Railroad Avenue
Tallahassee, Florida 32310

RE: Quail Ridge Apartments

Dear Mr. Stucks,

I am familiar with Quail ridge Apartments, a 160-unit, affordable multi-family community located at 1055 Capital Circle Northwest. This community is being developed by The Cornerstone Group Development.

It is my belief that Quail Ridge will add much-needed, affordable housing to an area that has not seen any new housing in several years. Its proximity to shopping, transportation and employment makes this an ideal location for working people and their families.

I wholeheartedly support this development and respectfully request that the Housing Finance Authority do the same.

Please do not hesitate to contact me at (850) 487-4747 if you have any questions or concerns.

Sincerely,

Tony Grippa

**Project Development
Proforma**

Local SHIP GrantQuail RidgeAttachment # 4Page 20 of 68DEVELOPMENT COST PROFORMA

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GRANT

	<u>COST/ SQ FT</u>	<u>COST/ UNIT</u>	<u>TOTAL COST</u>	<u>TAXCRED COSTS</u>
A. Uses				
Acquisition	\$9.77	\$8,717	\$1,255,200	\$0
Impact Fees	\$0.00	\$0	\$0	\$0
W&S Fees	\$0.84	\$750	\$108,000	\$108,000
Architect	\$0.95	\$850	\$122,400	\$122,400
Engineer	\$0.39	\$350	\$50,400	\$50,400
Survey	\$0.19	\$174	\$25,000	\$10,000
Environmental/Soils	\$0.16	\$139	\$20,000	\$7,000
Borrower Legal Counsel	\$0.78	\$694	\$100,000	\$70,000
Finance Fees	\$1.66	\$1,483	\$213,500	\$5,338
Insurance	\$0.45	\$400	\$57,600	\$34,560
GL Insurance	\$1.40	\$370	\$53,280	\$0
Taxes	\$0.19	\$174	\$25,000	\$15,000
Title & Recording	\$0.47	\$417	\$60,000	\$18,000
Inspection	\$0.19	\$167	\$24,000	\$24,000
Appraisal	\$0.08	\$69	\$10,000	\$10,000
Market Study	\$0.04	\$35	\$5,000	5,000
Accounting	\$0.19	\$174	\$25,000	\$25,000
Tax Credit Fees	\$1.50	\$1,337	\$192,571	\$113,311
Construction Interest	\$1.89	\$1,688	\$243,000	\$170,100
Marketing & Start Up	\$1.36	\$1,215	\$175,000	\$0
Building Permits	\$0.78	\$694	\$100,000	\$100,000
Construction Cost	\$62.93	\$56,153	\$8,086,000	\$8,006,440
Appliances	\$0.00	\$0	\$0	\$0
Clubhouse Furniture	\$1.05	\$938	\$135,000	\$135,000
Miscellaneous	\$0.39	\$347	\$50,000	\$50,000
Seed Capital Interest	\$0.00	\$0	\$0	\$0
Rep. Reserve	\$0.00	\$0	\$0	\$0
Developer's OH	\$3.01	\$2,688	\$387,000	\$387,000
Developer's Fee	\$9.04	\$8,063	\$1,161,000	\$1,161,000
Total Uses	\$98.72	\$88,083	\$12,683,951	\$10,627,548
B. Sources				
Tax Credit Equity	\$67.40	\$60,139	\$8,660,000	\$8,660,000
1st Mortgage	\$29.19	\$26,042	\$3,750,000	\$3,750,000
Other	\$0.00	\$0	\$0	\$0
Developer Equity	\$1.35	\$1,208	\$173,951	\$173,951
Local Subsidy	\$0.78	\$694	\$100,000	\$100,000
Total Sources	\$98.72	\$88,083	\$12,683,951	\$12,683,951

GRANT
PRO FORMA NOTES

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1. Construction Interest Calculation

Loan	Principal	Interest rate	Avg Loan Bal Outsidg	# Mos.	Const. Interest
Mortgage	\$3,750,000	7.00%	78.00%	12	\$204,750
Bridge Loan	\$700,000	7.00%	78.00%	12	\$38,220
SHIP Loan	\$100,000	0.00%	100.00%	12	\$0
Total Const. Int't, Rounded	\$4,550,000				\$243,000

2. Tax Credit Equity

					FHPC Leveraging
Tax Credit Basis					\$10,627,548
Applicable Percent		7.99%	100.00%		\$849,141
DDA/QCT	yes		Maximum credit	1,105,000	\$1,103,883
Syndication Price, Net		99.99%	\$0.79	44,226	\$0.78
Tax Credit Equity					\$8,664,618
Equity Letter				81.49%	\$8,660,000

Equity Pay In:

Closing	4,330,000	50.00%
50% Completion	1,299,000	15.00%
75% Completion	1,299,000	15.00%
CO	\$66,000	10.00%
Tax Credit Determination	433,000	5.00%
\$609, 1.12X DSC	433,000	5.00%

3. Finance Fees

	Principal	Fee	
Construction Loan	\$4,450,000	1.50%	\$66,750
Permanent Loan	\$4,450,000	1.50%	\$66,750
Cost of Issuance	\$4,450,000		NA
Closing Costs	\$0	0.00%	\$80,000
LC Fee		1.00%	In Above
Total Finance Fees			\$213,500
Rounded			\$213,500

4. Tax Credit Fees

Administrative Fee		8.00%	\$88,311
Application & Credit Underwriting Fee, cost review			\$25,000
Compliance Monitoring Fee	\$1,535	\$9/unit, dsc'd back at 2.75%, for 50 years	\$79,260
Total tax credit fees			\$192,571
Underwriter			\$192,571

GRANT

Grand Ridge
PRO FORMA RENTAL RATES
2003 MAXIMUM INCOME:

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		75.00%	5.00%	Total					
	1	30.00%	41	2	43				
	2	55.00%	75	4	79				
	3	15.00%	21	1	22				
Unit Size	% TOTAL	# of Units	Sq. Ft.	Total Sq. Ft.	% Med. Income	Gross Rent	Utilities Allow.	Net Rent	Gross Pot. Income
1/1	28.47%	41	700	28,700	90.00%	\$536	(\$84)	\$452	\$222,364
1/1	1.39%	2	700	1,400	40.00%	\$428	(\$84)	\$344	\$8,280
2/2	32.00%	75	924	69,300	90.00%	\$644	(\$101)	\$543	\$484,700
2/2	2.78%	4	924	3,696	40.00%	\$515	(\$101)	\$414	\$19,872
3/2	14.58%	21	1,154	24,234	90.00%	\$744	(\$129)	\$615	\$174,980
3/2	0.99%	1	1,154	1,154	40.00%	\$595	(\$129)	\$466	\$7,772
TOTAL	100.00%	144	892	128,484				\$521	\$899,808
TOTAL RENTAL INCOME									
Plus: Other Income					\$10.00 /unit/month		1.92%		\$17,280
Plus: Phone Income					0.00%	\$3.00 /unit/month			\$0
Cable Income					65.00%	\$10.00 /unit/month			\$11,232
W/D Premium Income					85.00%	\$35.00 /unit/month			\$31,408
Gross Potential Income									\$979,728
Less: Vacancy Factor					5.00%				(\$44,990)
Effective Gross Income									\$934,738
Fixed Income									
Less: Operating Expenses (Individually metered for water and sewer)					\$3,695 per unit				(\$532,017)
Less: Replacement Reserve					\$200 per unit				(\$28,800)
Net Operating Income									\$373,921
	DWC	\$/Unit	Loan	Int. Rate	Amort. Debt Svc Cost				
1st Mortgage	1.25	\$26,042	\$3,750,000	7.00%	30	7.98%		\$209,386	
Loan Commit		\$599	\$100,000	0.00%		0.00%		\$0	
Other		\$0	\$0	0.00%	0	0.00%		\$0	
Total Debt Service		\$26,640	\$3,850,000					\$209,386	
Cash Flow After Debt Service									\$164,535
Debt Service Coverage - First Mortgage									1.25
Debt Service Coverage - All Mortgages									1.25

GRANT

Attachment #

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Fund Range		12/2003 PHYSICAL PRO FORMULA													
		1	2	3	4	5	6	7	8	9	10	11	12	13	14
General Income		899,006	912,204	924,402	936,600	948,798	960,996	973,194	985,392	997,590	1,009,788	1,021,986	1,034,184	1,046,382	1,058,580
Other Income		77,502	80,118	82,734	85,350	87,966	90,582	93,198	95,814	98,430	101,046	103,662	106,278	108,894	111,510
Physical Goods Income		979,278	992,322	1,007,136	1,021,950	1,036,764	1,051,578	1,066,392	1,081,206	1,096,020	1,110,834	1,125,648	1,140,462	1,155,276	1,170,090
Vacancy		(44,900)	(46,944)	(48,988)	(51,032)	(53,076)	(55,120)	(57,164)	(59,208)	(61,252)	(63,296)	(65,340)	(67,384)	(69,428)	(71,472)
COC Income		0	0	0	0	0	0	0	0	0	0	0	0	0	0
Effective Gross Income		904,378	945,378	958,148	970,918	983,688	996,458	1,009,228	1,021,998	1,034,768	1,047,538	1,060,308	1,073,078	1,085,848	1,098,618
Less: Operating Costs		160,000	111,240	114,576	117,912	121,248	124,584	127,920	131,256	134,592	137,928	141,264	144,600	147,936	151,272
Payroll Costs		42,200	44,496	46,792	49,088	51,384	53,680	55,976	58,272	60,568	62,864	65,160	67,456	69,752	72,048
Maintenance		30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000
Chemical Services		30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000
Insurance		30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000
Utilities (estimated amount)		40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000
Management Fee		50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Taxes		30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000
Total Operating Expenses		312,200	286,736	296,352	306,968	317,584	328,200	338,816	349,432	360,048	370,664	381,280	391,896	402,512	413,128
Less: Supplement Fee		20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Net Operating Income		572,178	658,642	661,572	663,950	666,328	668,706	671,084	673,462	675,840	678,218	680,596	682,974	685,352	687,730
Less: Debt Service		(200,000)	(200,000)	(200,000)	(200,000)	(200,000)	(200,000)	(200,000)	(200,000)	(200,000)	(200,000)	(200,000)	(200,000)	(200,000)	(200,000)
Cash Flow		372,178	458,642	461,572	463,950	466,328	468,706	471,084	473,462	475,840	478,218	480,596	482,974	485,352	487,730
Debt Service Coverage		1.21	1.24	1.24	1.24	1.24	1.24	1.24	1.24	1.24	1.24	1.24	1.24	1.24	1.24

Quail Ridge

CONSTRUCTION COST BREAKDOWN

GRANT

Attachment #

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UNITS

144

SQUARE FEET

128,484

DESCRIPTION OF WORK

		\$	\$/UNIT	\$/SQ FT
1	Earthwork	\$864,000	\$6,000	\$6.72
2	Site Utilities	In Above	\$0	\$0.00
3	Roads & Walks	In Above	\$0	\$0.00
4	Landscape & Sprinkler	\$158,400	\$1,100	\$1.23
5	Concrete & Rough Carpentry	\$1,665,153	\$11,564	\$12.96
6	Masonry	In Above	\$0	\$0.00
7	Metals (Railings, Fencing)	\$183,732	\$1,276	\$1.43
8	Rough Carpentry	In Concrete	\$0	\$0.00
9	Finish Carpentry	\$179,878	\$1,249	\$1.40
10	Waterproofing & Insulation/Sealants	\$57,818	\$402	\$0.43
11	Roofing & Sheet Metal	\$96,363	\$669	\$0.75
12	Window/SGD	\$115,200	\$800	\$0.81
13	Hurr. Panels/Coverings	\$72,000	\$500	\$0.56
14	Lath & Plaster	\$254,398	\$1,767	\$1.98
15	Drywall	\$539,633	\$3,747	\$4.20
16	Tile Work	\$68,097	\$473	\$0.53
17	Paint	\$156,750	\$1,089	\$1.22
18	Specialties, Verticals, Sec. Gate, Brick Pavers	\$172,800	\$1,200	\$1.34
19	Cabinets	\$194,400	\$1,350	\$1.51
20	Appliances	\$216,000	\$1,500	\$1.68
21	Resilient Flooring & Floor Coverings	\$143,902	\$999	\$1.12
22	Fire Sprinklers	\$115,200	\$800	\$0.90
23	Plumbing	\$439,415	\$3,051	\$3.42
24	HVAC	\$377,743	\$2,623	\$2.94
25	Electrical	\$516,506	\$3,587	\$4.02
26	Recreation Building	\$244,192	\$1,696	\$1.90
27	Recreational Amenities	\$200,000	\$1,389	\$1.56
28	Contingency	L/C	\$0	\$0.00
	Sub-Total	\$7,031,579	\$48,830	\$54.64
29	General Requirements	6.00% \$421,895	\$2,930	\$3.28
30	Overhead & Supervision	2.00% \$140,632	\$977	\$1.09
31	Profit	6.00% \$421,895	\$2,930	\$3.28
	Construction-Related Fees:			
32	Special Inspector	NA	\$0	\$0.00
33	P&P Bonds	\$70,000	\$486	\$0.54
	Total	\$8,086,000	\$56,153	\$62.85

Local SHIP LoanQuail RidgeDEVELOPMENT COST PROFORMAAttachment # 4Page 210 of 68**LOAN**

	<u>COST/ SQ FT</u>	<u>COST/ UNIT</u>	<u>TOTAL COST</u>	<u>TAXCRED COSTS</u>
A. Uses				
Acquisition	\$9.77	\$8,717	\$1,255,200	\$0
Impact Fees	\$0.00	\$0	\$0	\$0
W&S Fees	\$0.84	\$750	\$108,000	\$108,000
Architect	\$0.95	\$850	\$122,400	\$122,400
Engineer	\$0.39	\$350	\$50,400	\$50,400
Survey	\$0.19	\$174	\$25,000	\$10,000
Environmental/Soils	\$0.16	\$139	\$20,000	\$7,000
Borrower Legal Counsel	\$0.78	\$694	\$100,000	\$70,000
Finance Fees	\$1.66	\$1,483	\$213,500	\$5,338
Insurance	\$0.45	\$400	\$57,600	\$34,560
GL Insurance	\$1.40	\$370	\$53,280	\$0
Taxes	\$0.19	\$174	\$25,000	\$15,000
Title & Recording	\$0.47	\$417	\$60,000	\$18,000
Inspection	\$0.19	\$167	\$24,000	\$24,000
Appraisal	\$0.08	\$69	\$10,000	\$10,000
Market Study	\$0.04	\$35	\$5,000	5,000
Accounting	\$0.19	\$174	\$25,000	\$25,000
Tax Credit Fees	\$1.50	\$1,337	\$192,571	\$113,311
Construction Interest	\$1.89	\$1,688	\$243,000	\$170,100
Marketing & Start Up	\$1.36	\$1,215	\$175,000	\$0
Building Permits	\$0.78	\$694	\$100,000	\$100,000
Construction Cost	\$62.93	\$56,153	\$8,086,000	\$8,006,440
Appliances	\$0.00	\$0	\$0	\$0
Clubhouse Furniture	\$1.05	\$938	\$135,000	\$135,000
Miscellaneous	\$0.39	\$347	\$50,000	\$50,000
Seed Capital Interest	\$0.00	\$0	\$0	\$0
Rep. Reserve	\$0.00	\$0	\$0	\$0
Developer's OH	\$3.01	\$2,688	\$387,000	\$387,000
Developer's Fee	\$9.04	\$8,063	\$1,161,000	\$1,161,000
Total Uses	\$98.72	\$88,083	\$12,683,951	\$10,627,548
B. Sources				
Tax Credit Equity	\$67.40	\$60,139	\$8,660,000	\$8,660,000
1st Mortgage	\$29.19	\$26,042	\$3,750,000	\$3,750,000
Other	\$0.00	\$0	\$0	\$0
Developer Equity	\$0.93	\$826	\$118,951	\$118,951
Local Subsidy	\$1.21	\$1,076	\$155,000	\$155,000
Total Sources	\$98.72	\$88,083	\$12,683,951	\$12,683,951

LOAN

Quail Ridge

PRO FORMA NOTES

Attachment #

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1. Construction Interest Calculation

Loan	Principal	Interest rate	Avg Loan Bal Outstdg	# Mos.	Const. Interest
Mortgage	\$3,750,000	7.00%	78.00%	12	\$204,750
Bridge Loan	\$700,000	7.00%	78.00%	12	\$38,220
SIIP Loan	\$155,000	0.00%	100.00%	12	\$0
Total Const. Int'l, Rounded	\$4,605,000				\$243,000

2. Tax Credit Equity

					FHPC Leveraging
Tax Credit Basis					\$10,627,548
Applicable Percent		7.00%	100.00%		\$849,141
DDA/QCT	yes		Maximum credit	1,105,000	\$1,103,883
Syndication Price, Net		99.99%	\$0.79	44,226	\$0.78
Tax Credit Equity					\$8,664,618
Equity Letter				81.49%	\$8,660,000

Equity Pay In:

Closing	4,330,000	50.00%
50% Completion	1,299,000	15.00%
75% Completion	1,299,000	15.00%
CO	866,000	10.00%
Tax Credit Determination	433,000	5.00%
\$609, 1.12X DSC	433,000	5.00%

3. Finance Fees

	Principal	Fees	
Construction Loan	\$4,450,000	1.50%	\$66,750
Permanent Loan	\$4,450,000	1.50%	\$66,750
Cost of Issuance	\$4,450,000		NA
Closing Costs	\$0	0.00%	\$80,000
LC Fee		1.00%	In Above
Total Finance Fees			\$213,500
Rounded			\$213,500

4. Tax Credit Fees

Administrative Fee		8.00%	\$88,311
Application & Credit Underwriting Fee, cost review			\$25,000
Compliance Monitoring Fee	\$1,535 + \$9/unit, deducted back at 2.75%, for 50 years		\$79,260
Total tax credit fees			\$192,571
Underwriter			\$192,571

LOAN

Local Judge
PRO FORMA RENTAL RATES

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2003 MEDIAN INCOME:

\$37,300 0.00%

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		95.00%	5.00%	Total							
1	30.00%	41	2	43							
2	55.00%	75	4	79							
3	15.00%	21	1	22							
Unit Size	% TOTAL	# of Units	Sq. Ft./Unit	Total Sq. Ft.	% Med. Income	Gross Rent	Less: Unit Allow	Net Rent	Gross Pot. Income		
1/1	28.47%	41	700	28,700	50.00%	\$536	(\$84)	\$452	\$222,384		
1/1	1.90%	3	700	2,100	40.00%	\$429	(\$84)	\$345	\$8,280		
2/2	32.08%	75	924	69,300	30.00%	\$644	(\$101)	\$543	\$448,908		
2/2	2.78%	4	924	3,696	40.00%	\$515	(\$101)	\$414	\$19,872		
3/2	14.58%	21	1,134	24,234	30.00%	\$744	(\$129)	\$615	\$134,980		
3/2	0.89%	1	1,134	1,134	40.00%	\$595	(\$129)	\$466	\$5,592		
TOTAL	100.00%	144	892	128,484				\$521	\$899,808		
TOTAL RENTAL INCOME									\$899,808		
Plus: Other Income					\$10.00 /unit/month		1.92%		\$17,280		
Plus: Phone Income					0.00%	\$3.00 /unit/month			\$0		
Cable Income					65.00%	\$10.00 /unit/month			\$11,232		
W/D Premium Income					85.00%	\$35.00 /unit/month			\$51,408		
Gross Potential Income									\$979,728		
Less: Vacancy Factor					5.00%				(\$44,990)		
Effective Gross Income									\$934,738		
Flood Income									\$0		
Less: Operating Expenses (individually metered for water and sewer)					\$3.00 per unit				(\$12,017)		
Less: Replacement Reserve					\$200 per unit				(\$28,800)		
Net Operating Income									\$373,921		
					DSC	\$/Unit	Term	Int. Rate	Amort. Debt Svc Const.		
1st Mortgage					1.25	\$26,042	\$3,750,000	7.00%	30	7.98%	\$299,386
Loan County						\$928	\$155,000	0.00%		0.00%	\$0
Other						\$0	\$0	0.00%	0	0.00%	\$0
Total Debt Service						\$26,970	\$3,905,000				\$299,386
Cash Flow After Debt Service										\$74,535	
Debt Service Coverage - First Mortgage										1.25	
Debt Service Coverage - All Mortgages										1.25	

Quail Ridge

CONSTRUCTION COST BREAKDOWN**LOAN**

Attachment #

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UNITS

144

SQUARE FEET

128,484

DESCRIPTION OF WORK

		\$	\$/UNIT	\$/SQ FT
1	Earthwork	\$864,000	\$6,000	\$6.72
2	Site Utilities	In Above	\$0	\$0.00
3	Roads & Walks	In Above	\$0	\$0.00
4	Landscape & Sprinkler	\$158,400	\$1,100	\$1.23
5	Concrete & Rough Carpentry	\$1,665,153	\$11,564	\$12.96
6	Masonry	In Above	\$0	\$0.00
7	Metals (Railings, Fencing)	\$183,732	\$1,276	\$1.43
8	Rough Carpentry	In Concrete	\$0	\$0.00
9	Finish Carpentry	\$179,878	\$1,249	\$1.40
10	Waterproofing & Insulation/Sealants	\$57,818	\$402	\$0.45
11	Roofing & Sheet Metal	\$96,363	\$669	\$0.75
12	Window/SGI	\$115,200	\$800	\$0.81
13	Hurr. Panels/Coverings	\$72,000	\$500	\$0.56
14	Lath & Plaster	\$254,398	\$1,767	\$1.98
15	Drywall	\$539,633	\$3,747	\$4.20
16	Tile Work	\$68,097	\$473	\$0.53
17	Paint	\$156,750	\$1,089	\$1.22
18	Specialties, Verticals, Sec. Gate, Brick Pavers	\$172,800	\$1,200	\$1.34
19	Cabinets	\$194,400	\$1,350	\$1.51
20	Appliances	\$216,000	\$1,500	\$1.68
21	Resilient Flooring & Floor Coverings	\$143,902	\$999	\$1.12
22	Fire Sprinklers	\$115,200	\$800	\$0.90
23	Plumbing	\$439,415	\$3,051	\$3.42
24	HVAC	\$377,743	\$2,623	\$2.94
25	Electrical	\$516,506	\$3,587	\$4.02
26	Recreation Building	\$244,192	\$1,696	\$1.90
27	Recreational Amenities	\$200,000	\$1,389	\$1.56
28	Contingency	1/C	\$0	\$0.00
	Sub-Total	\$7,031,579	\$48,830	\$54.64
29	General Requirements	6.00% \$421,895	\$2,930	\$3.28
30	Overhead & Supervision	2.00% \$140,632	\$977	\$1.09
31	Profit	6.00% \$421,895	\$2,930	\$3.28
	Construction-Related Fees:			
32	Special Inspector	NA	\$0	\$0.00
33	P&P Bonds	\$70,000	\$486	\$0.54
	Total	\$8,086,000	\$56,153	\$62.85

**Cornerstone
Development
Experience**

Cornerstone Group Development, LLC
Affordable Housing Experience

Name of Development	Location (City/County, State)	# UNITS	PROJECT COST	CONSTRUCT. COST	EQUITY FTR INVESTMENT	November 9, 2003 % Leased	LOCAL/STATE SUBSIDY	TAX CREDIT/BOND* BOND AMOUNT/ISSUER
1 Villa Hermosa	uninc. Miami-Dade County, FL	76	\$6,400,000	\$3,420,000	\$2,390,000	100.00%	\$2,350,000	Tax Credits/Not Applicable
2 River Oaks	Florida City, FL	160	\$9,800,000	\$7,200,000	\$5,940,000	98.75%	\$3,407,000	Tax Credits/Not Applicable
3 The Oaks at Ellenton	Ellenton, FL	168	\$10,000,000	\$7,560,000	\$5,600,000	98.21%	\$1,020,000	Tax Credits/Not Applicable
4 Olympia Building	Miami, FL	80	\$5,200,000	\$3,600,000	\$2,700,000	97.50%	\$1,600,000	Tax Credits/Not Applicable
5 Villas at Cove Crossing	Lantana, FL	94	\$6,536,000	\$4,230,000	\$3,040,000	98.94%	\$400,000	Tax Credits/Not Applicable
6 Grove Pointe	uninc. Hillsborough County, FL	80	\$6,920,000	\$3,600,000	\$3,090,000	100.00%	\$1,200,000	Tax Credits/Not Applicable
7 Spinnaker Cove	uninc. Miami-Dade County, FL	220	\$16,056,000	\$9,060,000	\$4,350,000	100.00%	\$3,970,000	\$7,403,000 FHFC '96
8 Center Court Apts.	North Miami, FL	589	\$27,400,000	\$4,300,000	\$6,400,000	98.47%	\$1,000,000	\$18,460,000 FHFC '97
9 The Oaks at Pompano	Pompano Beach, FL	224	\$15,577,000	\$9,300,000	\$4,150,000	94.20%	\$3,750,000	\$9,500,000 Broward '96
10 Golden Lakes Apts.	uninc. Miami-Dade County, FL	280	\$22,240,000	\$12,485,000	\$6,440,000	100.00%	\$3,100,000	\$12,635,000 Dade '97
11 Siesta Pointe Apts.	uninc. Miami-Dade County, FL	392	\$27,400,000	\$16,800,000	\$7,350,000	100.00%	\$600,000	\$16,735,000 Dade '97
12 Horizon Pointe Apts.	Miramar, FL	200	\$15,500,000	\$9,425,000	\$4,250,000	99.00%	\$2,300,000	\$9,750,000 Broward '98
13 Cross Keys	North Lauderdale, FL	322	\$23,318,000	\$11,534,000	\$5,894,000	97.56%	\$3,885,000	\$16,970,000 Broward '98
14 Villa Esperanza	uninc. Miami-Dade County, FL	192	\$14,247,000	\$8,308,000	\$4,469,000	100.00%	\$600,000	\$9,465,000 Dade '98
15 Crossings at University	uninc. Miami-Dade County, FL	320	\$23,664,000	\$13,110,000	\$6,622,000	100.00%	Not Applicable	\$14,930,000 FHFC '98
16 Dorat Terrace	uninc. Miami-Dade County, FL	236	\$22,575,000	\$13,060,000	\$4,287,000	98.83%	\$3,150,000	\$14,750,000 Dade '98
17 Cypress Trace	uninc. Hillsborough County, FL	348	\$27,475,000	\$14,145,000	\$6,015,000	92.24%	Not Applicable	\$16,970,000 FHFC '98
18 Hidden Cove	uninc. Miami-Dade County, FL	144	\$9,874,000	\$6,700,000	\$6,900,000	100.00%	\$400,000	Tax Credits/Not Applicable
19 Eagle's Landing	uninc. Miami-Dade County, FL	321	\$21,836,000	\$14,550,000	\$14,615,000	100.00%	Not Applicable	Tax Credits/Not Applicable
20 Bridgewater Place	Oakland Park, FL	312	\$33,517,000	\$23,020,000	\$11,042,000	99.04%	Not Applicable	\$19,805,000 Broward '99
21 Logan's Pointe	Jacksonville, FL	248	\$20,650,000	\$12,535,000	\$3,066,000	95.16%	\$700,000	\$12,552,000 FHFC '99
22 Barnwood Trace	Fort Myers, FL	340	\$26,500,000	\$16,380,000	\$8,480,000	95.59%	Not Applicable	\$16,395,000 FHFC '99
23 Banyan Pointe	Coconut Creek, FL	300	\$26,000,000	\$16,400,000	\$6,427,000	97.33%	\$2,800,000	\$17,670,000 Broward '00
24 Clipper Cove	Tampa, FL	176	\$12,930,000	\$8,657,000	\$3,720,000	92.61%	\$2,500,000	\$7,950,000 Hillsborough '00
25 Sabal Chase	Fort Pierce, FL	340	\$25,332,000	\$16,188,000	\$6,654,000	94.41%	Not Applicable	\$16,710,000 FHFC '00
26 Sundance Pointe	Jacksonville, FL	288	\$22,460,000	\$15,383,000	\$5,466,000	92.01%	Not Applicable	\$16,285,000 FHFC '00
27 Marchesa	uninc. Miami-Dade County, FL	368	\$30,325,000	\$18,800,000	\$9,610,000	100.00%	\$4,250,000	\$17,050,000 Dade '00
28 Carolina Club	Daytona Beach, FL	224	\$17,630,000	\$11,018,000	\$4,450,000	98.21%	\$2,000,000	\$10,470,000 Volusia '01
29 Monterey Pointe	Homesstead, FL	336	\$27,300,000	\$17,465,000	\$9,680,000	98.21%	\$4,000,000	\$15,175,000 Dade '01
30 Mission Bay	Viera, Brevard County, FL	360	\$24,750,000	\$16,252,000	\$6,344,000	92.00%	Not Applicable	\$15,350,000 FHFC '01
31 Hunter's Run	Clay County, FL	304	\$21,700,000	\$14,106,000	\$5,146,000	94.41%	Not Applicable	\$13,440,000 FHFC '01
32 Mission Pointe	Jacksonville, FL	388	\$27,650,000	\$18,093,000	\$7,002,000	96.13%	Not Applicable	\$16,730,000 FHFC '01
33 Baywinds	uninc. Miami-Dade County, FL	204	\$20,130,000	\$10,248,000	\$5,445,000	100.00%	\$3,750,000	\$9,670,000 Dade '02
34 Indian Trace	Riviera Beach, FL	330	\$32,800,000	\$18,050,000	\$7,702,000	92.73%	\$2,328,000	\$23,400,000 Palm Beach '02
35 Mariner's Cove	Hillsborough County, FL	208	\$17,400,000	\$10,610,000	\$4,038,000	100.00%	\$2,190,000	\$11,715,000 Hillsborough '02
36 San Marco	Ormond Beach, FL	260	\$22,675,000	\$13,211,000	\$4,862,000	97.69%	\$1,500,000	\$13,500,000 Volusia '02
37 Laguna Pointe	Pompano Beach, FL	188	\$22,200,000	\$13,013,000	\$6,463,000	100.00%	\$2,210,000	\$13,300,000 Broward '02
38 Captiva Club	uninc. Miami-Dade County, FL	136	\$14,360,000	\$7,795,000	\$4,013,000	100.00%	\$3,750,000	\$6,720,000 Dade '02
39 Hibiscus Pointe	uninc. Miami-Dade County, FL	212	\$17,400,000	\$10,772,000	\$5,160,000	Under Const.	\$4,300,000	\$9,900,000 Dade '02
40 Tuscan Place	uninc. Miami-Dade County, FL	340	\$30,375,000	\$18,742,000	\$8,823,000	Under Const.	\$3,900,000	\$15,000,000 Dade '02
41 Eagle Pointe	Pompano Beach, FL	192	\$18,675,000	\$10,676,000	\$5,906,000	22% pre-leased	\$300,000	\$12,490,000 FHFC '02
42 Bristol Bay	Hillsborough County, FL	300	\$24,900,000	\$15,388,000	\$6,119,000	Under Const.	\$750,000	\$16,300,000 FHFC '02
43 Portofino	Palm Springs, FL	272	\$28,650,000	\$15,791,000	\$5,793,000	11% pre-leased	Not Applicable	\$19,570,000 FHFC '02
44 Renaissance	West Palm Beach, FL	344	\$36,375,000	\$20,111,000	\$7,780,000	Under Const.	Not Applicable	\$24,375,000 Palm Beach '03
45 St. Croix	Lauderdale Lakes, FL	246	\$28,200,000	\$16,770,000	\$6,453,000	Under Const.	\$2,222,138	\$18,095,000 Broward '02
46 Sanctuary Cove	North Lauderdale, FL	292	\$30,000,000	\$16,880,000	\$6,725,000	Under Const.	\$2,300,000	\$19,400,000 Broward '03
47 Harbour Cove	Hallandale Beach, FL	212	\$24,550,000	\$14,949,000	\$7,214,000	Under Const.	\$2,300,000	\$14,390,000 Broward '03
48 Hawk's Landing	Fort Myers, FL	204	\$16,785,000	\$10,101,000	\$4,084,000	Under Const.	Not Applicable	\$10,730,000 Lee '03
49 Bonita Pointe	Florida City, FL	164	\$15,900,000	\$9,462,000	\$4,850,000	Under Const.	\$1,000,000	\$8,000,000 Dade '03
Total		12,354	\$1,030,137,000	\$609,273,000	\$294,619,000	97.30%	\$74,910,138	\$388,697,000



CORNERSTONE AFFORDABLE RENTAL COMMUNITIES



BANYAN POINTE
COCONUT CREEK, FLORIDA

CORNERSTONE AFFORDABLE RENTAL COMMUNITIES



CROSSINGS AT UNIVERSITY
MIAMI, FLORIDA



SESTA POINTE
MIAMI, FLORIDA



BANYAN POINTE
COCONUT CREEK, FLORIDA



LOGANS POINTE
 JACKSONVILLE, FLORIDA



INDIAN TRACE
 WEST PALM BEACH, FLORIDA



DORAL TERRACE
 MIAMI, FLORIDA

Cornerstone Group has been a leader in the development of affordable rental communities since its inception in 1993. The company has earned a reputation for building quality affordable communities with amenities that include a private clubhouse with a pool, fitness center and computer lab, and at some properties tennis, volleyball and racquetball courts. Cornerstone also holds educational programs on homeownership to financial planning for its residents.

As Florida's affordable housing market becomes more competitive, these extra touches help distinguish Cornerstone's communities, and earn them the trust and admiration of investors, financial institutions and residents.

CORNERSTONE AFFORDABLE RENTAL COMMUNITIES

Alhambra Cove
Miami, Florida

Banyan Pointe
Coconut Creek, Florida

Banyan
Pointe

Cypress
Trace

Doral
Terrace

Eagle's
Landing

Eagles
Point

Golden
Lakes

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Grove Pointe
Ruskin, Florida

Harbor Cove
Hallandale, Florida

Hawks Landing
Ft. Myers, Florida

Heron Pointe
Miramar, Florida

Hibiscus Pointe
Miami, Florida

Hidden Cove
Miami, Florida

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Portofino
Palm Springs, Florida

Renaissance
West Palm Beach, Florida

River Oaks
Florida City, Florida

Sabal Chase
Ft. Pierce, Florida

San Marcos
Orlando, Florida

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Crossings At University
Miami, Florida

Cypress Trace
Brandon, Florida

Doral Terrace
Miami, Florida

Eagle's Landing
Miami, Florida

Eagles Point
Pompano Beach, Florida

Golden Lakes
Miami, Florida

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Golden Lakes
Miami, Florida

Wannan's Cove
Tampa, Florida

Mission Bay
Viera, Florida

Mission Pointe
Jacksonville, Florida

Monterey Pointe
Homestead, Florida

Oaks at Ellenton
Ellenton, Florida

Oaks at Pompano
Pompano Beach, Florida

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Oaks at Pompano
Pompano Beach, Florida

Tuscany Place
Miami, Florida

Villas at Cove Crossings
Lantana, Florida

Villa Capri
Naranja, Florida

Villa Hermosa
Miami, Florida

Villa Esperanza
Miami, Florida

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Miami, Florida

BANYAN POINTE
COCONUT CREEK, FLORIDA

CORNERSTONE GROUP

2121 PONCE DE LEON BOULEVARD, CORAL GABLES, FLORIDA 33134

TEL: 305-443-8288 FAX: 305-443-9339

WWW.CORNERSTONEGRP.COM

CORNERSTONE GROUP

Company Profile

Cornerstone Group Development, LLC is a fully integrated residential real estate firm, providing development, construction and property management services for rental communities throughout the state of Florida. Founded in the Fall of 1993, the company presently has 10,000 units of rental housing in various stages of development, construction and property management. Both *Builder* and *Apartment Finance Today* magazine ranked Cornerstone as the 10th-largest developer in the United States for 2002.

The success experienced over the past years is a direct result of the firm's strong foundation of experience and financial resources. The organization's success is also in large part a testament to the faith the local and state financial institutions have in the talent and abilities of the principals of the organization. It has been through the support of such institutions that Cornerstone has been able to obtain over \$600 million in local and state subsidies and tax-exempt bonds for its projects.

These subsidies allow Cornerstone to offer properties to local residents that provide amenity packages, landscaping and social activities, which not only are on a par with market rate communities, but also offer rental rates that are typically \$100 - \$400 below those of market rate rental communities. These communities have won awards such as the one garnered by Cornerstone's *Clipper Cove* community in October 2001. Located in Tampa, Clipper Cove won a meritorious award from the National Association of Local Housing Finance Authorities ("NAHLFA") at its annual convention. Additionally, *Banyan Pointe*, located in Broward County, Florida won the 2002 award from the Southeast Apartment Association as the top affordable housing community of the year.

Two of the principals of Cornerstone, Stuart I. Meyers and Jorge Lopez, ran the Affordable Housing Division of a major South Florida multi-family developer. While at their former company, these two individuals were responsible for the construction of over 2,000 units of multifamily housing. They have brought this depth of experience to Cornerstone, and added to the depth of the management team by bringing on other individuals experienced in the fields of real estate construction, real estate finance and real estate property management. The other two principals of Cornerstone, Leon J. Wolfe, Esq. and Mara S. Mades, also bring considerable experience to Cornerstone. Mr. Wolfe founded a law firm where he specialized in the tax credit field, among his other duties as a managing partner, and Ms. Mades has twenty years of experience in the field of real estate acquisitions and finance.

The company also takes pride in providing tenant services at its affordable housing communities that enrich and augment the quality of life of its residents. Cornerstone provides a range of tenant services, such as educational, financial and social activities. These services allow the tenants to improve their work skills, such as computer expertise, and to improve their financial skills, such as budgeting for down payments for their future homes.

Cornerstone's operating strategy has been to take advantage of the tremendous growth rate in the State of Florida. Its success is insured by focusing its attention on selecting prime locations and building an attractive, high quality product. Such factors are the key to providing rental housing in a market that continues to experience a steady influx of new residents. It is Cornerstone's goal and objective to remain committed to the Florida markets, providing a wide range of quality residential housing, tenant and management services to its residents.

Cornerstone Group Development, LLC

MIAMI
2121 Ponce de Leon Boulevard, P.H.
Coral Gables, FL 33134
(305) 443-8288

TALLAHASSEE
2029 Morning Dove Road
Tallahassee, FL 32312
(850) 591-7444

Major Business Functions

Development

Cornerstone's philosophy is to create value by developing high quality, rental housing properties for low- and moderate-income households. In order to achieve this goal, it is necessary to obtain cost-effective sites and to provide an attractive product that meets the needs of today's residents. This requires expert knowledge of federal housing laws, as well as an understanding of local rental housing needs, zoning restrictions, building codes and market forces. The key to success in the affordable marketplace is the maintenance of productive relationships with local, state and federal governmental authorities.

Management

An integral part of Cornerstone Group Development, LLC is its ability to manage and maintain properties to ensure their long-term viability. An affiliate, Cornerstone Residential Management, LLC, provides complete marketing, leasing, administrative, accounting, compliance and other services for its own properties, as well as for others on a fee basis. Cornerstone has extensive experience in the area as a result of many years of management experience with various types of housing projects, including both affordable housing and market rate properties. This extensive experience in affordable housing, most particularly in providing compliance with subsidy regulations and requirements, is what distinguishes Cornerstone Residential Management, Inc. from other management companies.

Construction

To maintain control over the construction process, Cornerstone has an affiliated General Contracting company, Alliance Construction, LLC. ("Alliance"). Alliance acts as the construction manager and general contractor for projects developed by Cornerstone. Through 2003, Alliance has completed construction of over 8,500 units throughout the State of Florida; all but 1,000 of those units have been affordable housing. Alliance's direct involvement in all aspects of the design and construction phase ensures the highest value and best quality.

Communications & Security

From construction to consumer satisfaction, Mainstream Communications, LLC is a single source provider of voice, video and data telecommunication services. Operating as Mainstream New Media, the company provides a full suite of services to residents of multi-family communities, including cable/satellite television, security monitoring, individual intrusion alarms, local and long distance telephone, high-speed Internet access and a broad range of customized tenant services.

Cornerstone Group Development, LLC

MAM
2121 Ponce de Leon Boulevard, P.H.
Coral Gables, FL 33134
(305) 443-8288

TALLAHASSEE
2029 Morning Dove Road
Tallahassee, FL 32312
(850) 591-0856

Target Population

FHFC DRAFT 2004 APPLICATION

An Applicant may commit to deeper targeting than required to earn 5 points but must at least meet the minimums stated above to be awarded the 5 points. For example, an Applicant that will use requesting Competitive HC and SAIL as funding sources that committed 85% of a Development's residential units at 50% AMI or less and 15% of its residential units at 35% AMI or less would earn five points because it met the minimum five-point requirement. The same Applicant would not earn five points if it committed to do 90% of the Development's residential units at 50% AMI or less and 10% of the residential units at 30% AMI.

Location A Summary - INCLUDES LEON

Program(s) that will fund Development applying for	Location A				
	% of <u>residential</u> units @ 30% AMI or less	% of <u>residential</u> units @ 35% AMI or less	% of <u>residential</u> units @ 40% AMI or less		% of <u>residential</u> units @ 50% AMI or less
Competitive HC ONLY	na	na	5	and	95
Competitive HC with SAIL	na	na	12	and	88
SAIL ONLY without Competitive HC, FHFC bonds or local bonds	na	na	na		50
FHFC bonds with or without non- competitive HC ONLY	na	na	na		50
FHFC or local bonds with SAIL	na	na	na		60
non- competitive HC ONLY	na	na	na		na

Location B:

To earn 5 points:

-Applicants requesting Competitive HC must at a minimum commit to set aside either: 7% of the Development's residential units at 30% AMI or less, 9% of the Development's residential units at 35% AMI or less, 12% of the Development's residential units at 40% AMI or less, or 26% of the Development's residential units at 50% AMI or less.

-Applicants that will use requesting Competitive HC and SAIL as funding sources must at a minimum commit to set aside either: 11% of the Development's residential units at 30% AMI or less, 15% of the Development's residential units

Florida Housing Finance Corporation

Effective 2/20/2003 / HUD Posted 2/21/2003 FHFC Posted 2/24/2003; Revised 3/5/2003									
Florida Housing Finance Corporation Multifamily Rental Programs and SHIP (all) 2003 Income Limits Adjusted To Household Size									
City (County)	Percentage Category	Number of Persons in Household							
		1	2	3	4	5	6	7	8
Punta Gorda MSA (Charlotte)	30%	9,900	11,350	12,750	14,150	15,300	16,450	17,550	18,700
	33%	10,890	12,474	14,025	15,576	16,830	18,084	19,305	20,559
	35%	11,550	13,230	14,878	16,520	17,850	19,180	20,475	21,805
	40%	13,200	15,120	17,000	18,880	20,400	21,920	23,400	24,920
	45%	14,850	17,010	19,125	21,240	22,950	24,660	26,325	28,035
	50%	16,500	18,900	21,250	23,800	25,500	27,400	29,250	31,150
	55%	18,150	20,790	23,375	25,950	28,050	30,140	32,175	34,265
	60%	19,800	22,680	25,500	28,320	30,500	32,850	35,100	37,380
Median: 47,200	80%	26,450	30,200	34,000	37,750	40,800	43,800	46,800	49,850
	120%	39,600	45,360	51,000	56,640	61,200	65,760	70,200	74,750
Sarasota-Bradenton MSA (Manatee/Sarasota)	30%	11,200	12,800	14,400	16,000	17,300	18,600	19,850	21,150
	35%	13,090	14,945	16,835	18,680	20,195	21,665	23,170	24,675
	40%	14,980	17,080	19,240	21,360	23,080	24,760	26,480	28,200
	45%	16,830	19,215	21,645	24,030	25,965	27,855	29,790	31,725
	50%	18,700	21,350	24,050	26,700	28,850	30,950	33,100	35,250
	55%	20,570	23,485	26,455	29,370	31,735	34,045	36,410	38,775
	60%	22,440	25,620	28,850	32,040	34,520	37,140	39,720	42,300
	80%	28,900	34,200	38,450	42,700	46,150	49,550	52,950	56,400
Median: 52,600	120%	44,880	51,240	57,720	64,080	69,240	74,280	79,440	84,800
Tallahassee MSA (Gadsden/Leon)	28%	11,200	12,824	14,420	16,016	17,304	18,592	19,852	21,140
	30%	12,000	13,750	15,450	17,150	18,550	19,900	21,300	22,650
	35%	14,000	16,030	18,025	20,020	21,630	23,240	24,815	26,425
	40%	16,000	18,320	20,600	22,880	24,720	26,560	28,360	30,200
	45%	18,000	20,610	23,175	25,740	27,810	29,880	31,905	33,975
	50%	20,000	22,800	25,750	28,600	30,800	33,200	35,450	37,750
	55%	22,000	25,190	28,325	31,460	33,980	36,520	38,985	41,525
	60%	24,000	27,480	30,900	34,320	37,080	39,840	42,540	45,300
Median: 54,500	80%	32,050	36,600	41,200	45,750	49,400	53,100	56,750	60,400
	120%	48,000	54,960	61,800	68,640	74,160	79,680	85,080	90,500

Appendix A - Income Limits Schedule

Appendix B1 - Rent Schedule by Number of Bedrooms in Unit

4

Effective 2/20/2003 / HUD Posted 2/21/2003
FHFC Posted 2/24/2003; Revised 3/5/2003

1990 and Later
By Number of Bedrooms

**Florida Housing Finance Corporation
2003 Maximum Rents by Number of Bedrooms in Unit**

NOTE: This schedule is to be used by developments participating in the following programs: Housing Credit (HC) receiving allocations ON and AFTER January 1, 1990, State Housing Initiatives Partnership (SHIP), and HUD Multifamily Risk Sharing. Excluding SHIP, these figures represent MAXIMUM gross rents which must include an allowance for utilities.

City (County)	Percentage Category	Number of Bedrooms in Unit				
		EFF	1	2	3	4
Punta Gorda MSA (Charlotte)	30%	247	265	318	368	411
	33%	272	292	350	405	452
	35%	288	309	371	429	479
	40%	330	354	425	491	548
	45%	371	398	478	552	616
	50%	412	442	531	613	685
	60%	495	531	637	736	822
	80%	661	708	850	981	1,095
	120%	990	1,062	1,275	1,473	1,644
Sarasota-Bradenton MSA (Manatee/Sarasota)	30%	280	300	360	416	465
	35%	327	350	420	486	541
	40%	374	400	481	555	619
	45%	420	450	541	624	696
	50%	467	500	601	694	773
	60%	561	600	721	833	928
	80%	747	801	961	1,110	1,238
	120%	1,122	1,201	1,443	1,666	1,857
Tallahassee MSA (Gadsden/Leon)	28%	280	300	360	416	464
	30%	300	321	386	446	497
	35%	350	375	450	520	581
	40%	400	429	515	595	664
	45%	450	482	579	669	747
	50%	500	536	643	743	830
	60%	600	643	772	892	996
	80%	801	858	1,030	1,189	1,327
	120%	1,200	1,287	1,545	1,785	1,992
Tampa-St. Petersburg- Clearwater MSA (Hernando/Hillsborough/ Pasco/Pinellas)	20%	177	189	227	262	293
	30%	265	283	341	393	438
	35%	309	331	398	459	512
	40%	354	379	455	525	586
	45%	398	426	511	590	659
	50%	442	473	568	656	732
	60%	531	568	682	787	879
	80%	707	757	908	1,050	1,171
	120%	1,062	1,137	1,365	1,575	1,758
West Palm Beach- Boca Raton MSA (Palm Beach)	25%	275	294	353	408	455
	30%	330	353	423	490	546
	35%	385	412	494	571	637
	40%	440	471	565	653	728
	45%	495	529	635	734	819
	50%	550	588	706	816	910
	60%	660	706	847	979	1,092
	80%	878	941	1,130	1,306	1,457
	120%	1,320	1,413	1,695	1,959	2,184

POPULATION DEMOGRAPHICS (CENSUS 2000)
 LEON COUNTY WITHIN A 5 MILE RADIUS OF
 1055 CAPITAL CIRCLE NW, TALLAHASSEE

TOTAL AREA 73.44 SQUARE MILES

TOTAL POPULATION 95,754

RACE

WHITE	57.4%
BLACK	37.4%
AMERICAN INDIAN/ALASKAN	0.3%
ASIAN	2.1%
PACIFIC ISLANDER	0.1%
OTHER RACE	1.2%
MIXED RACES	1.7%
HISPANIC (OF ANY RACE)	4.4%

MEDIAN AGE 23.5 YEARS

HOUSING UNITS	42,603
OCCUPIED	90.8%
VACANT	9.2%
OWNER OCCUPIED	34.8%
RENTER OCCUPIED	56.0%

AVERAGE HOUSEHOLD SIZE 1.9 PERSONS

EMPLOYED POPULATION AGES 16+ 85.0%

HOUSEHOLD INCOMES

< \$10,000	25.0%
\$10,000-19,999	19.1%
\$20,000-29,999	15.6%
\$30,000-39,999	11.4%
\$40,000-49,999	8.2%
\$50,000-59,999	6.1%
\$60,000-74,999	5.6%
\$75,000-99,999	5.3%
\$100,000+	3.6%

AVERAGE HOUSEHOLD INCOME \$20,746

Cornerstone References

REFERENCES

Housing Authority: Housing Finance Authority of Broward County, 110 NE 3rd Street, Fort Lauderdale, FL 33301. Norman Howard, Interim Executive Director, (954) 765-5311

Housing Authority: Housing Authority of Metro-Dade County, 1401 NW 7th Street, Miami, FL 33125. Rene Rodriguez, Executive Director, (305) 644-5107

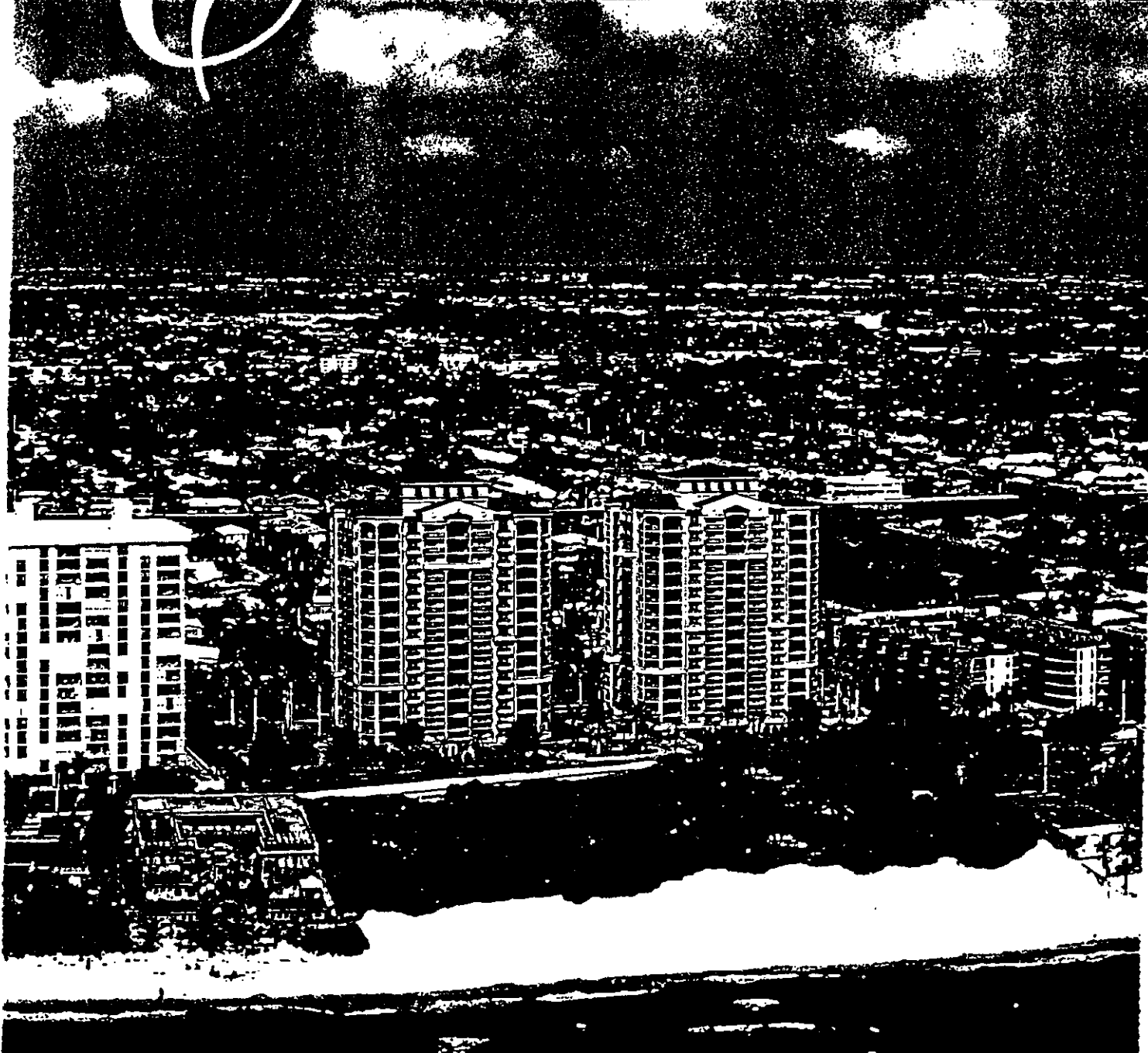
Tax Credit Investor: MMA Financial, 100 Arch Street, Boston, MA 02110, Barbara Tyrrell, Managing Director, (800) 782-7890, x561

Architect: Mouriz Salazar & Associates, 7695 SW 104th Street, Miami, FL 33156. Gabriel Salazar, (305) 273-9911

Financial Institution: Bank of America, 390 North Orange Avenue, Orlando, FL 32801. Cheryl Henry, Vice President, (407) 244-7027, or Mario Facella, Vice President, 100 SE 2nd Street, 14th Floor, Miami, FL 33131, (305) 423-4586.



CORNERSTONE SENIOR MANAGEMENT



VUE RESIDENCES & BEACH CLUB
FT. LAUDERDALE, FLORIDA

MISSION STATEMENT AND PHILOSOPHY BUILDING COMMUNITIES THAT ENDURE

Financial strength. Proven performance. Depth of management expertise. These attributes have helped to propel Cornerstone Group from start-up to national leader in less than a decade. From its inception, the company's mission has been to create communities of enduring value and quality. And it has been able to stay true to its mission with a corporate philosophy that emphasizes integrity, respect and the value of strategic partnerships.

Company founders Stuart I. Meyers and Jorge Lopez started Cornerstone with more than 40 years of collective experience in multifamily residential development and property management to their credit. Their vision was, and remains today, to offer quality living at an affordable price, with unparalleled amenities and value in each of their residential communities.

As Cornerstone Group has expanded through diversification into areas that include development of market-rate and affordable rentals, luxury for sale properties, property management and communications, the senior management team has been strengthened with the addition of highly experienced executives to head each of its burgeoning divisions.

Key to its expansion into a fully integrated real estate firm has been its strong fiscal foundation. The firm works closely with financial groups and institutional investors to establish valuable strategic partnerships. As a result of these efforts, the company has a solid investment history and longstanding alliances with some of the nation's most prestigious financial institutions. The ready availability of capital through these associations has enabled Cornerstone to move quickly and decisively to take advantage of marketplace opportunities.

Cornerstone Group continues to occupy a position of leadership in multifamily development through its well-crafted growth strategy, fiscal strength and stability.



CORPORATE SENIOR MANAGEMENT:

FRONT ROW (L TO R): STUART I. MEYERS, CHAIRMAN AND JORGE LOPEZ, CO-CHAIRMAN, CORNERSTONE GROUP

MIDDLE ROW (L TO R): BRUCE ADAMS, CHIEF FINANCIAL OFFICER, CORNERSTONE GROUP;
MARA MADES, EXECUTIVE VICE PRESIDENT, CORNERSTONE GROUP DEVELOPMENT AND
LEON WOLFE, PRESIDENT, CORNERSTONE GROUP DEVELOPMENT

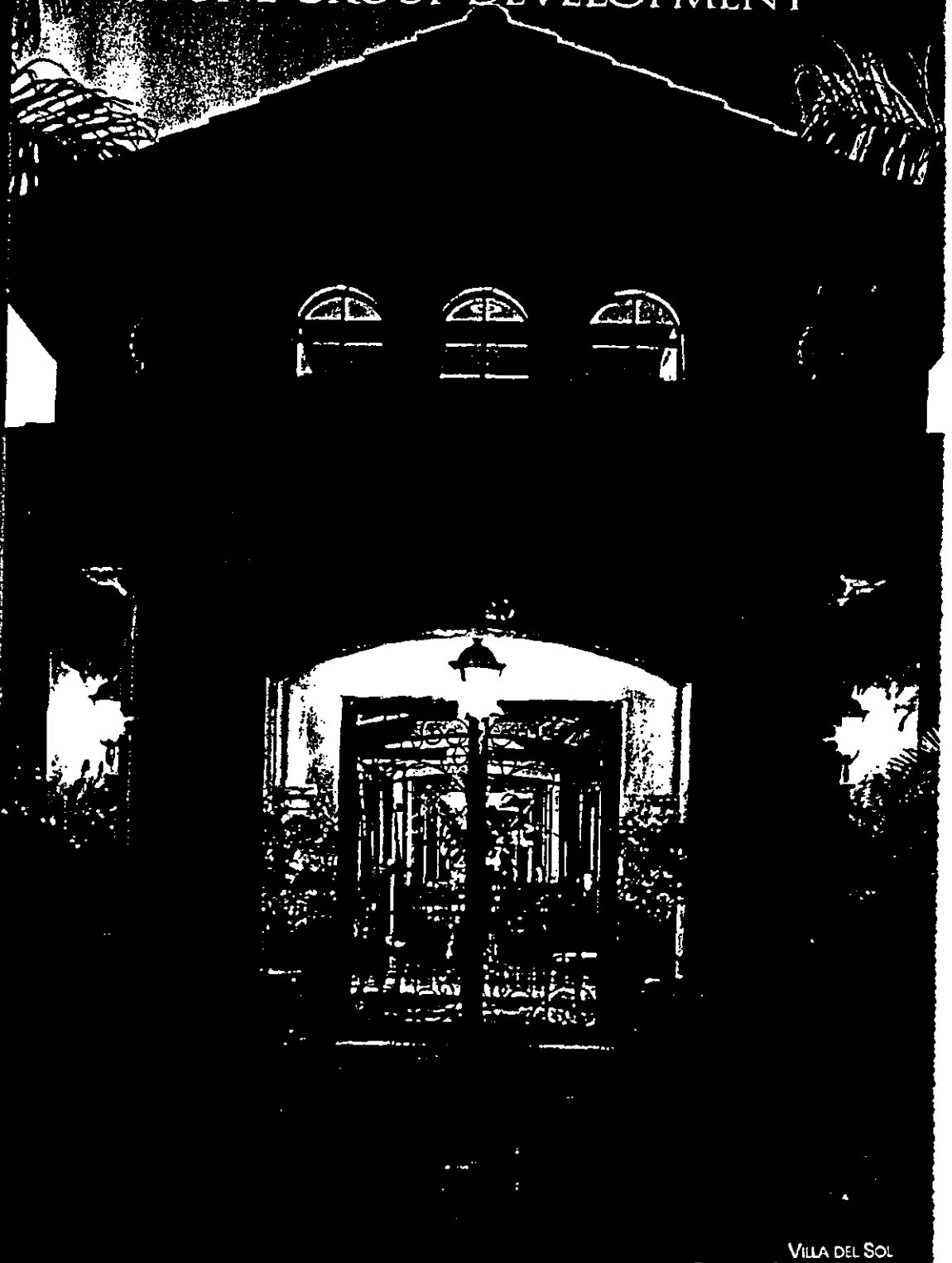
BACK ROW (L TO R): KEITH LUCAS, PRESIDENT, MAINSTREAM COMMUNICATIONS;
RICHARD LAMONDIN, PRESIDENT, CORNERSTONE PREMIER COMMUNITIES;
NOLA CASTILLO, PRESIDENT, CORNERSTONE RESIDENTIAL MANAGEMENT AND
FRANK WHITE, PRESIDENT, ALLIANCE CONSTRUCTION



SAN MARINO AT LAGUNA LAKES
WEST PALM BEACH, FLORIDA



CORNERSTONE GROUP DEVELOPMENT



VILLA DEL SOL

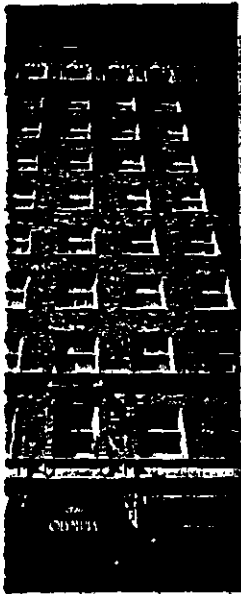
BUILDING COMMUNITIES OF EXCELLENCE

The communities we build are distinctive – whether in urban, suburban or rural settings, Cornerstone's high quality housing properties create value through lasting architectural improvements and superior amenity packages. Our development portfolio of nearly 50 high-quality apartment communities includes high-rise, mid-rise and garden-style designs, as well as mixed-use communities and re-developments of historic buildings. Several developments are restricted to senior occupants 55 years and over.

To best meet the housing needs of a community, we begin by researching area market trends and architectural influences, and engage top community professionals to gain a solid understanding of the local development process. Our team of more than 40 managers with expertise in every aspect of development, from zoning issues to architecture, underwriting to closing – represents all the disciplines needed to take a project from concept to completion.

With the emergence of a new trend in multifamily occupancy – established professionals who rent by choice, not necessity – Cornerstone has redefined the concept of apartment living. Cornerstone's rental properties represent an all-new five-star rental lifestyle that offers residents the highest level of service and amenities.

Cornerstone renters can choose from a wide variety of one-, two- and three-bedroom floor plans. To complement these impressive residential features, the communities offer a full roster of upscale amenities. Depending upon the development and market, these include a clubhouse, fitness center, business center and resort-style concierge services. Recreational facilities typically include indoor basketball and racquetball courts, tennis courts, volleyball courts, heated swimming pool, putting green and children's playground.



OLYMPIA BUILDING
MIAMI, FLORIDA



LEON WOLFE
PRESIDENT
CORNERSTONE GROUP DEVELOPMENT



MARA MAES
EXECUTIVE VICE PRESIDENT
CORNERSTONE GROUP DEVELOPMENT

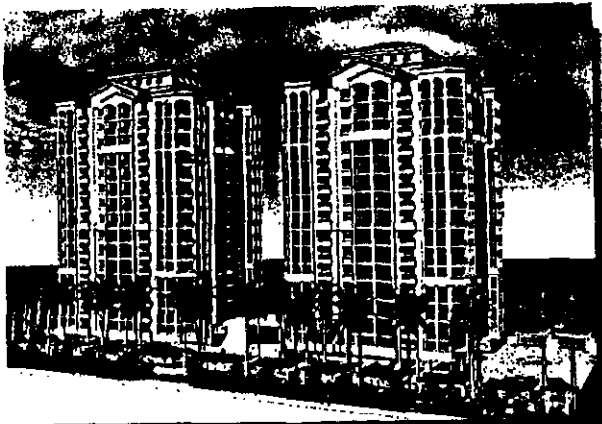


CORNERSTONE PREMIER COMMUNITIES



LA PERLA OCEAN RESIDENCE
SUNNY ISLES BEACH, FLORIDA

BUILDING COMMUNITIES OF UNPARALLELED LUXURY



VUE RESIDENCES & BEACH CLUB
FT. LAUDERDALE, FLORIDA

Cornerstone Group's newest division – Cornerstone Premier Communities – is developing some of South Florida's most desirable luxury developments. With a unique understanding of the upscale buyer's demands and the ability to build residences of exceptional quality, Cornerstone Premier Communities has quickly established itself as a dominant player in the competitive condominium arena.

Currently three luxury communities are under development. La Perla, a \$100 million-plus condominium tower in Sunny Isles Beach is located

on one of the last remaining beachfront parcels in Miami-Dade County. The 42-story tower has 326 spacious residences, each with an ocean view.

Vue Residences & Beach Club in Fort Lauderdale offers a beachfront location that is minutes from premier shopping, dining and nightlife. Its exclusive design features five residences per floor, and virtually all are corner residences with beautiful Intracoastal and ocean views. Intimate in scale, Vue has a total of 76 residences in each of two mid-rise buildings.

The Preserve in Miami Shores is an exclusive townhome development featuring three-story townhomes with two and three-bedrooms. Set in a verdant wooded site, and framed by 50-year-old oak trees, nearly half of the development will be dedicated to open space.



THE PRESERVE
MIAMI SHORES, FLORIDA



RICHARD LAMOREAUX
PRESIDENT
CORNERSTONE PREMIER COMMUNITIES

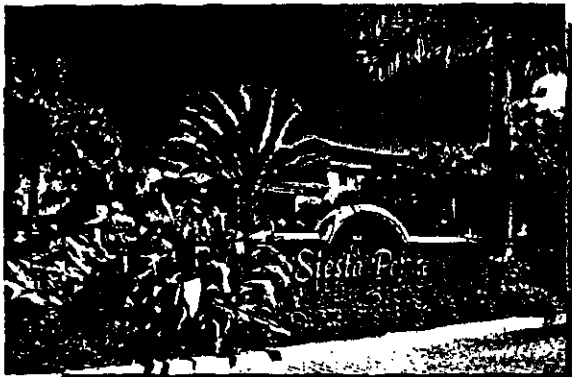


CORNERSTONE RESIDENTIAL MANAGEMENT



BRIDGEWATER PLAZA
OAKLAND PARK, FLORIDA

BUILDING COMMUNITIES THAT ENRICH LIVES



SIESTA POINTE
MIAMI, FLORIDA

We take pride in the communities we create. Providing superior amenities and services that enrich the quality of life for all our residents is what makes Cornerstone rental communities stand out in the marketplace.

Each community is unique, requiring its own special blend of services and people to meet our high standards for the families who live there. Cornerstone Residential Management employs over 250 professionals to

handle the marketing, leasing, administration, accounting, compliance and other resident services for all our properties. We also manage selected but unaffiliated properties on a fee basis. Cornerstone excels in providing superior resident services such as educational and social activities. These services play an important role in the success of our nearly 50 apartment communities.

Cornerstone Residential Management has a broad base of experience in all types of multifamily apartment communities. We assemble a management team specifically designed for each individual property based on that community's needs. The team brings the requisite expertise in marketing, leasing, management and maintenance to each property.

Cornerstone's management team works to attract well-qualified residents who appreciate the quality of a Cornerstone managed community. Our on-site certified property managers work diligently to maintain our high standards throughout the property. The right match between the management team and the residents helps ensure the community's long-term success.



VILLA DEL SOL
BOYNTON BEACH, FLORIDA



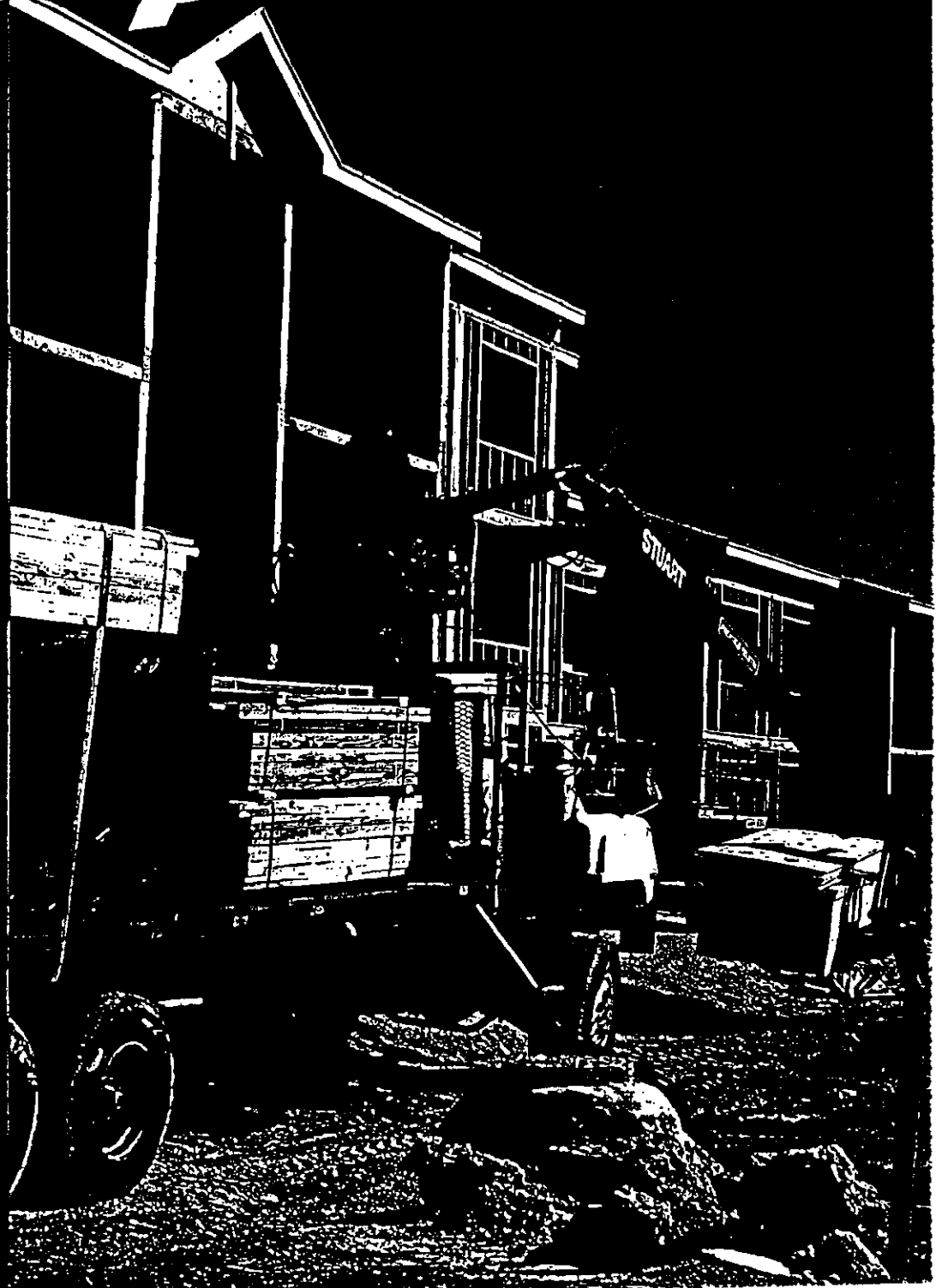
NOLA CASTILLO
PRESIDENT
CORNERSTONE RESIDENTIAL
MANAGEMENT



SAN MARINO
NAPLES, FLORIDA



LLIANCE CONSTRUCTION



BUILDING COMMUNITIES THROUGH TEAMWORK

Construction is a business that demands teamwork. Partnerships are key to quality construction projects completed on time and on budget. Alliance Construction's staff is comprised of specialists in every field of construction. We have the added benefit of long-term relationships with a broad network of vendors and industry professionals. Over the years, we have established and maintained alliances with some of the region's top architects, engineers and subcontractors. The result is a project team of staff, vendors and partners who share a common pride in workmanship.

Effective and strategic planning is essential to the success of a project. Our project managers expedite the process by working closely with the owner, architect and other professionals to adhere to budget and time constraints. By providing detailed schedules and cost analysis data, we are able to accurately track progress and suggest modifications and value engineering as needed.

Meticulous attention to detail, a "hands-on" management philosophy, and the ability to creatively resolve challenges has built a satisfied and diversified clientele for our full-service construction firm. From new construction to renovation of commercial and residential projects; from garden-style and mid-rise to high-rise construction; from multifamily dwellings to single-family homes, Alliance Construction has the resources, expertise and superior bonding capacity to deliver the highest quality finished product.

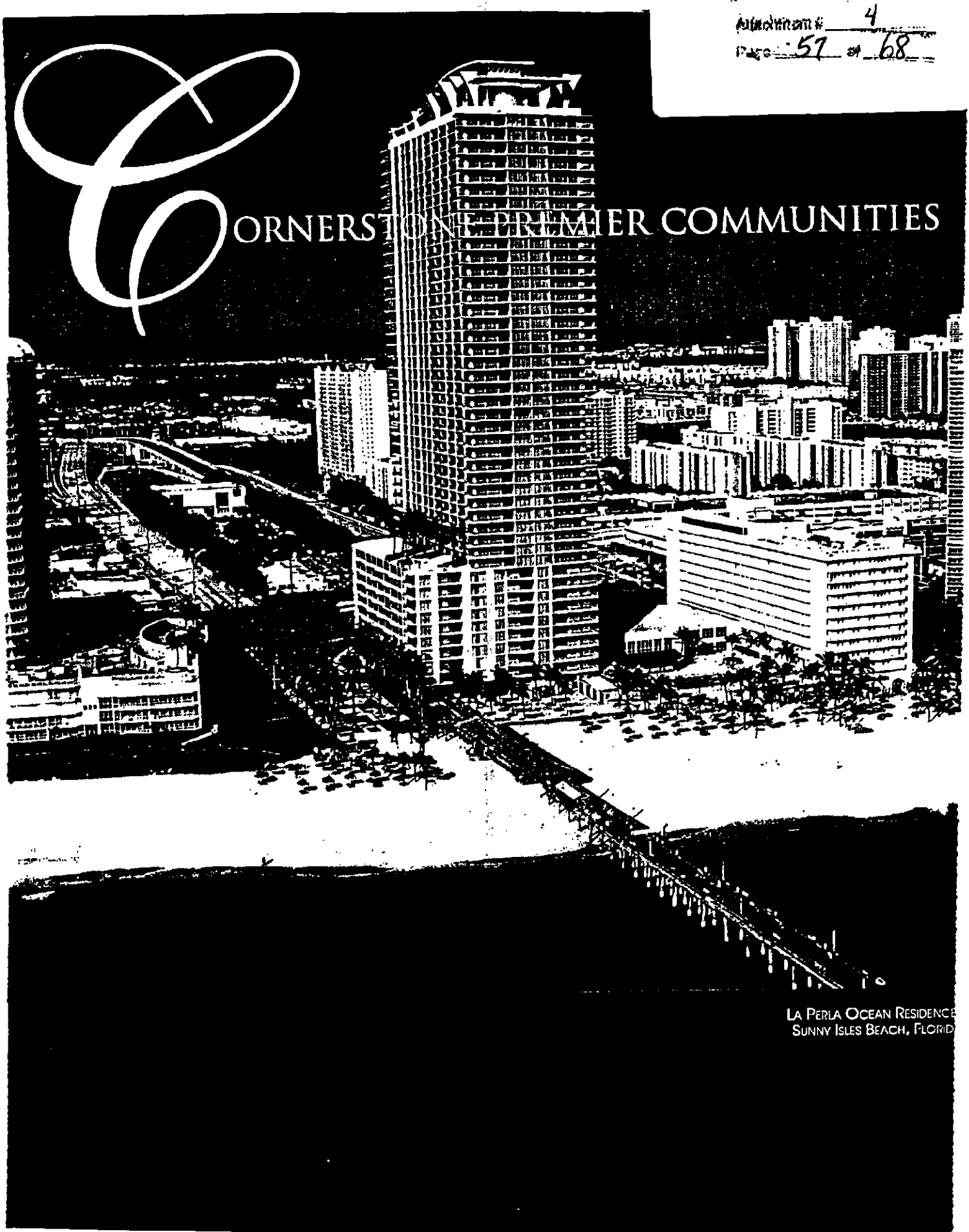


FRANK WHITE
PRESIDENT
ALLIANCE CONSTRUCTION





CORNERSTONE PREMIER COMMUNITIES



LA PERLA OCEAN RESIDENCE
SUNNY ISLES BEACH, FLORIDA

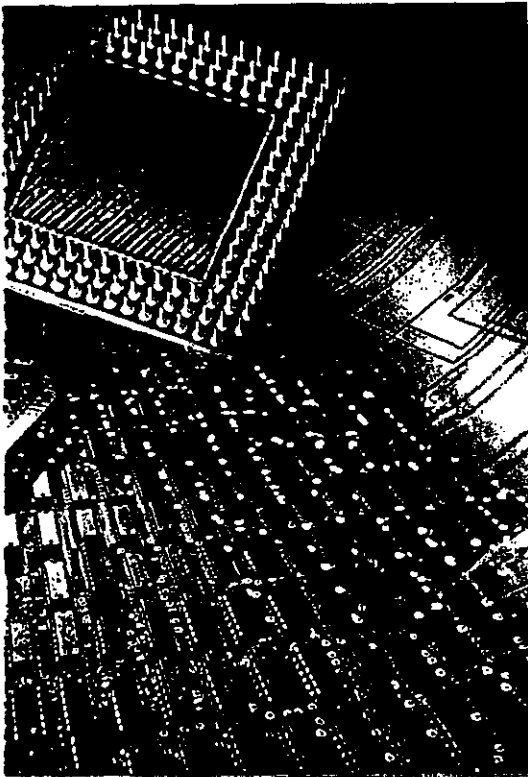
BUILDING COMMUNITIES THROUGH TECHNOLOGY

Engineered to excel, Mainstream Communications equips, operates and maintains residential and commercial developments for telephone, security, Internet, cable and satellite television services.

As home communications technology continues to evolve, Mainstream Communications remains at the forefront, providing Cornerstone communities with the most recent advancements. As a private cable operator, we now provide every new property with installation and maintenance of satellite television. Cornerstone is also at the cutting-edge of communities wired for high-speed Internet access – we are often the only multifamily building in a region that is DSL-ready. These distinct competitive advantages allow Cornerstone to translate technology into revenue.

Mainstream adds another dimension to Cornerstone's emphasis on amenities. Technology-ready apartments and condominiums offer tremendous

appeal to tenants and owners – adding value and desirability to Cornerstone communities.



KEITH LUCAS
PRESIDENT
MAINSTREAM COMMUNICATIONS



ORNERSTONE CORPORATE FINANCE, ACCOUNTING AND ADMINISTRATION



SENIOR FINANCE/ACCOUNTING/ADMINISTRATIVE MANAGEMENT

L TO R: ERIC WEINER, ASSET MANAGER;
TAMI L. WEAVER, CONTROLLER-CONSTRUCTION;
BRUCE ADAMS, CHIEF FINANCIAL OFFICER;
MAUREEN O'CONNOR, CONTROLLER-OPERATIONS;
KARR SHANNON, CONTROLLER-DEVELOPMENT

FINANCE, ACCOUNTING AND ADMINISTRATION

The key to its expansion into a fully integrated real estate firm has been Cornerstone's strong fiscal foundation. The firm works closely with financial groups and institutional investors to establish valuable strategic partnerships. As a result of these efforts, the company has a solid investment history and longstanding alliances with some of the nation's most prestigious financial institutions. The ready availability of capital through these associations has enabled Cornerstone to move quickly and decisively to take advantage of marketplace opportunities.

Cornerstone Group shares the vision of its investors in achieving their goals. The company is committed to capturing local market opportunities - whether it be opening new markets in emerging neighborhoods or developing prime waterfront parcels. Within a thorough and proven decision-making framework, Cornerstone Group's developments consistently meet with the praise of the lending community.

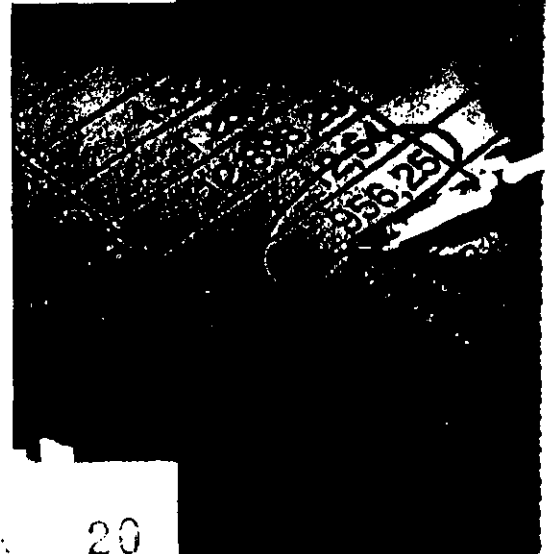
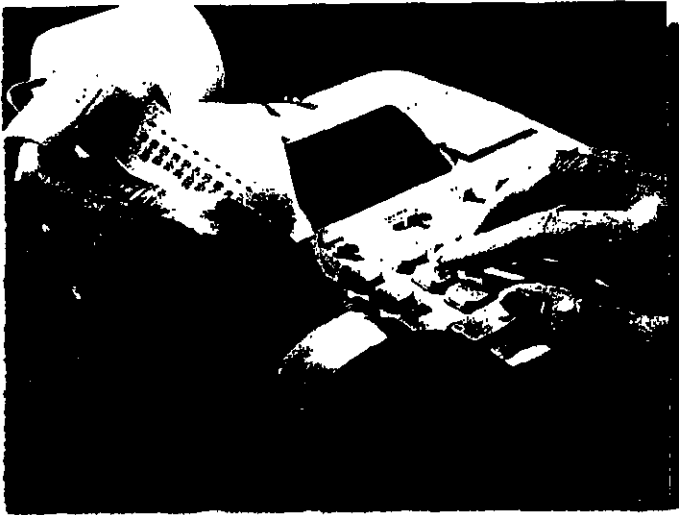
Cornerstone oversees each development from the owner/investor perspective in order to maximize financial returns while minimizing risk. The company excels in optimizing each property's operating results and achieving long-term superior performance. Cornerstone uses an advanced computer information system networked directly to each of its managed com-

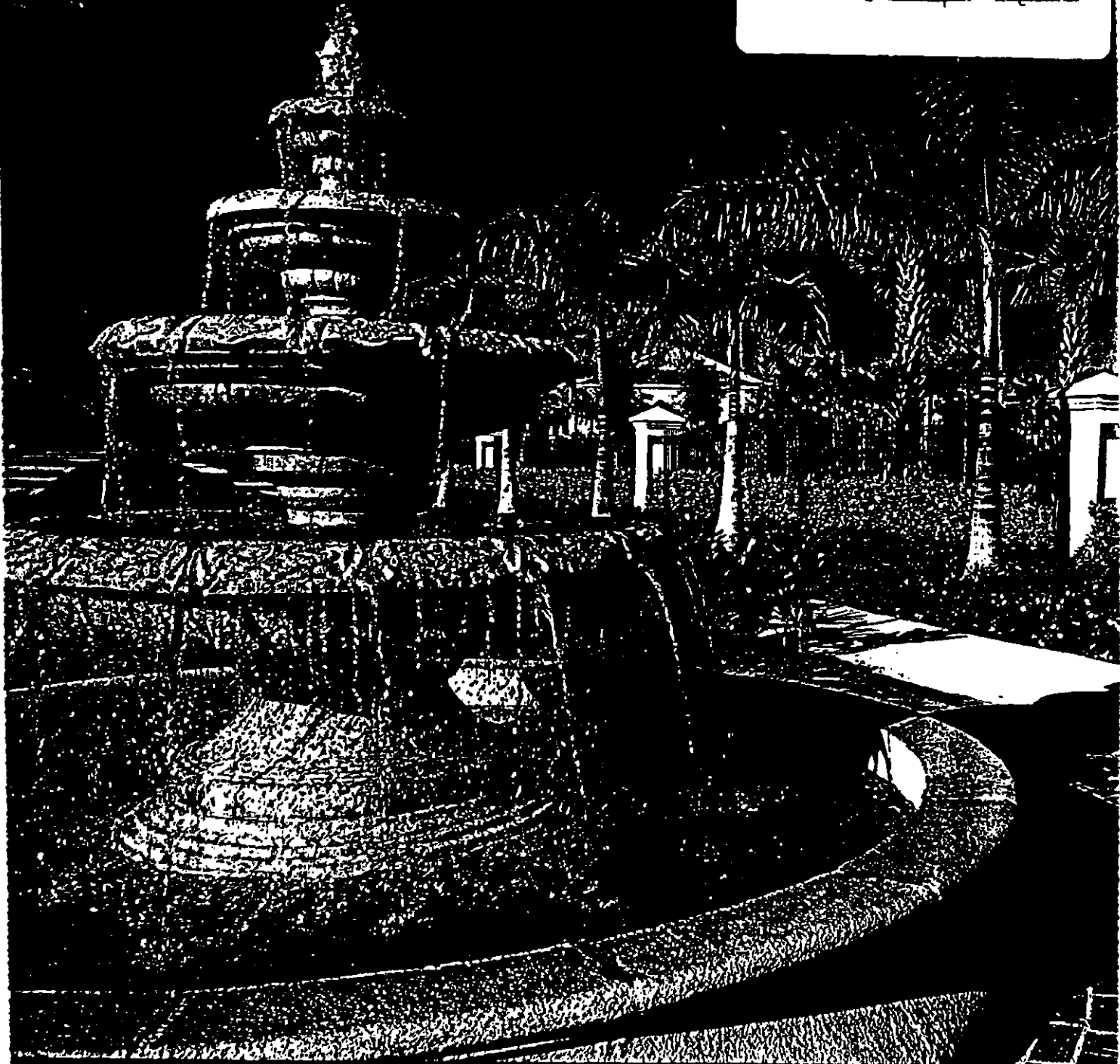
munities to provide individualized reports for lenders, investors and other interested parties.

Since its founding, Cornerstone Group has generated a consistently growing stream of operating revenue, while providing superior returns that have met or exceeded owner/investor and lender demands.



BRUCE ADAMS
CHIEF FINANCIAL OFFICER
CORNERSTONE GROUP





VILLA DEL SOL
BOYNTON BEACH, FLORIDA

CORNERSTONE GROUP

2121 PONCE DE LEON BOULEVARD, CORAL GABLES, FLORIDA 33134
TEL: 305-443-8288 FAX: 305-443-9339

CORNERSTONE GROUP



SAN MARINO AT LAGUNA LAKES
WEST PALM BEACH, FLORIDA



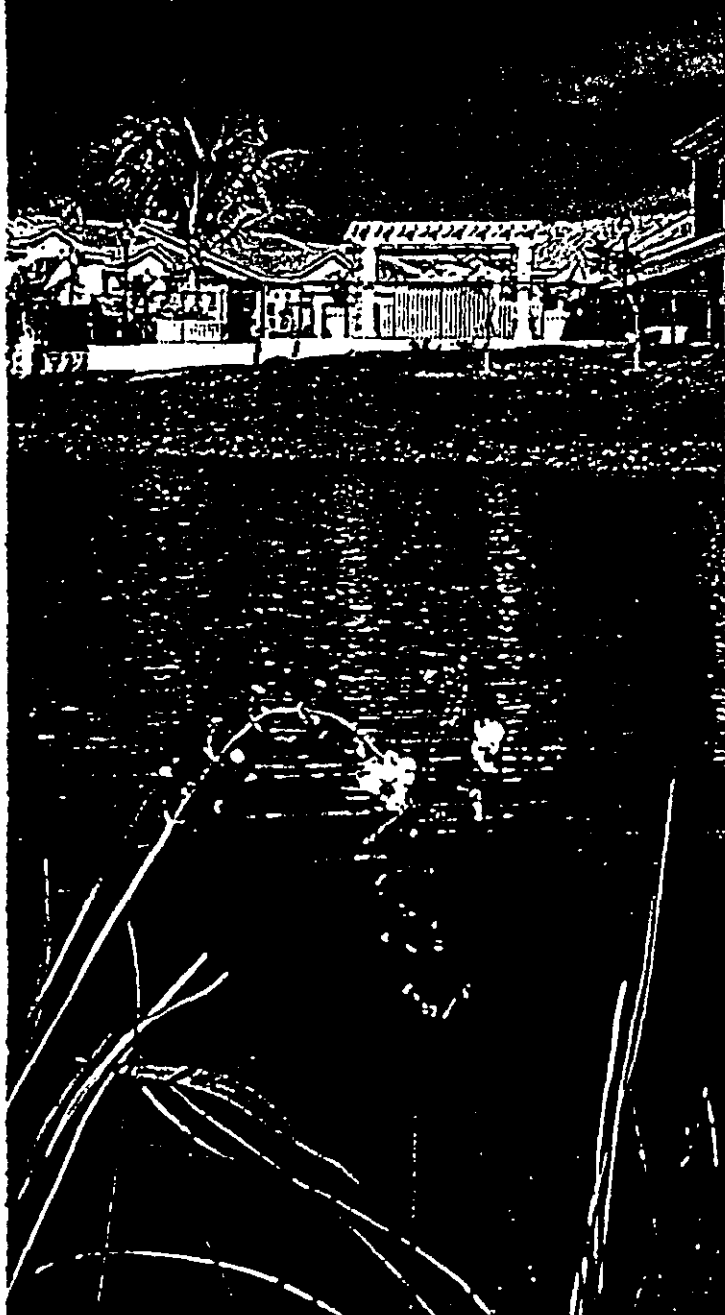
NATIONAL APARTMENT ASSOCIATION PARAGON AWARD
SAN MARINO AT LAGUNA LAKES, NAMED
BEST GARDEN/TOWNHOUSE COMMUNITY



VILLA DEL SOL
BOYNTON BEACH, FLORIDA

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CORNERSTONE PARTNERS



SITING (L TO R): JORGE LOPEZ, CO-CHAIRMAN/FOUNDER
CORNERSTONE GROUP
MARA MADES, EXECUTIVE VICE PRESIDENT
CORNERSTONE GROUP DEVELOPMENT
STANDING (L TO R): LEON WOLFE, PRESIDENT

CORNERSTONE GROUP FOUNDERS' AND PARTNERS' MESSAGE

Building communities. It's more than just what we do. It defines who we are as a company. We create communities for families to call home. We create communities with lasting value.

Founded in 1993, Cornerstone Group has since developed nearly 50 apartment communities consisting of more than 15,000 multifamily rental and condominium units throughout Florida. We began as a small, privately held start-up company, and through strategic planning and diversification, we are now ranked as the 10th largest multifamily developer in the United States -- the fifth largest in Florida -- by *The National Association of Home Builders*.

Throughout our company's history, our commitment to quality has remained steadfast. We set exceptional but attainable standards for our communities in every market we enter, and always provide superior amenities and management.

We also create a sense of community for our employees-- whose teamwork and talents have been integral to our success throughout our history. We take pride in their contributions, their unique abilities and their unwavering pledge of excellence.

For our corporate investors, we have consistently delivered excellent, highly stable, low-risk returns. It is this fiscal prudence that has gained us the respect and partnership of some of the country's leading financial groups and institutional investors.

We currently operate five integrated but wholly independent divisions to develop and manage our properties. As our expansion continues, Cornerstone Premier Communities develops luxury condominiums; Cornerstone Group Development creates market-rate and affordable rental communities; Cornerstone Residential Management is our leasing and property management division; Alliance Construction provides general contracting and construction management services; and Mainstream Communications offers cable, satellite, telephone communications as well as alarm/security products and services to residential and commercial developments.

We are immensely proud of our growth and achievements during the first decade of Cornerstone's history. Together with our partners, valued employees and associates, we have created a company of strength and quality. We look forward to creating communities for the future, and together charting a course for our continued success.



STUART I. MEYERS
CHAIRMAN AND FOUNDER



JORGE LOPEZ
CO-CHAIRMAN AND FOUNDER